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PRESIDENT ADDRESSES COUNCIL OF CHURCHES MEETING

PY012150 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0040 GMT 1 Aug 85

[Text] Buenos Aires, 31 Jul (NA) -- Tonight, President Raul Alfonsin warned that "the separation between rich and poor countries, with an ever increasing distance between the wealth of the former and the deprivation of the latter, may well usher in unpredictable conflicts and confrontations, if reason is not made to prevail before that happens." Alfonsin also stressed that "a considerable portion of the foreign debt, which seriously jeopardizes the economic future of the underdeveloped countries, was not used to promote development but to replace the rational function of production by the irrational one of speculation." The president also contended that the world is "politically and economically more divided than ever," and that "the great powers exclusively possess the terrible nuclear weapons capable of blowing the planet into pieces along with humankind, its tribulations, and its hopes."

The head of state made these expressive remarks tonight before more than 500 religious representatives from all over the world who gathered for the 37th meeting of the World Council of Churches heing held at the San Martin Cultural Center in Buenos Aires. In a speech without great political significance, but with a clear humanist content, Alfonsin said that "the world today lives under an economic order that is widening the already unbearable extremes of inequality between the stewardship of its resources and the enjoyment of its wealth." He noted that "the rising commercial protectionism in the developed countries, the resistance of these countries to the transfer of technology, and the perverse mechanisms of a foreign debt that is undermining our countries' development potential are the components of a nightmare of which we are all fully conscious."

The president added that "a new world economic order is just an economic need, because upon its inception depends the satisfaction of needs that are fundamentally spiritual, related to the rights, freedoms, and dignity of men." He then stressed that "democracy will always be weak, precarious, and insecure in the midst of the tensions generated by an unjust economic order. Hence, our struggle for freedom cannot be separated from the struggle to change that order."

In another passage of his speech, Alfonsin contended that "unless there is justice for everyone everywhere, peace will never be truly possible," adding that "we have to engage in a constructive North-South dialogue in order to attain a more just distribution of the wealth that belongs to all of us."

After noting that "the human race has never been more fully conscious of its solidarity," Alfonsin said that "the world is, however, more than ever politically and economically divided." Continuing, the president said that "the means the human race collectively possesses to wrest its sustenance from nature are enough to provide food for all the world's population. Yet, hunger lurks and inexorably makes millions of victims every year in dozens of nations in various areas of the world, even today, in the 20th century, when many societies are moving with firm steps into the postindustrial era." Alfonsin affirmed that "it is obvious that this inequality cannot be perpetuated if humankind wants to enter into the new century under the sign of peace, growth, and harmony."

The Argentine president went on to say that "the separation between rich and poor peoples, with an ever widening distance between the wealth of the former and the need of the latter, may lead to unpredictable conflicts and confrontations unless reason is made to prevail in time."

He further said that "a considerable amount of the foreign debt, which seriously compromises the economic future of the underdeveloped countries, was not contracted to promote development but to replace the rational function of production by the irrational function of speculation." He emphasized that "it is inexcusable that there should be peoples decimated by hunger and endemic diseases, illiteracy, oppression, and subjected to cruel and absurd tyrannies while the great industrialized nations look on impassively."

Alfonsin affirmed that "the tide of backwardness will some day topple the political barriers standing between the affluent societies and the dispossesed ones with a violence that will not be good or positive for anyone."

He then argued that "the powerful may negotiate and compromise with the dictators, but deep down despise these dictators with a passion that is extended to the oppressed people as well." Nevertheless, he warned that "the people who shake off the yoke of authoritarianism emerge with a vigor and dignity to demonstrate in the face of the great nations that they can rule themselves by principles of democracy and justice, as well as assert with moral authority the identical abilities to promote technical progress, industrial development, and equal participation in world trade."

In another passage of his long speech, the President asserted that "the statesmen of the contemporary world cannot afford the amoral luxury of feigning ignorance, because they will thus only pave the way for their own failure as well as that of humankind, in the not too distant future." Continuing, Alfonsin contended that "the defense of human rights cannot and must not be restricted to respect for the physical integrity of human beings, their beliefs, and opinions. That defense must be extended to ensuring economic security, dignified and fairly remunerated employment, and integral, free, and creative development of all human potentials."

Alfonsin proceeded to affirm that "the world is becoming one great community, an abode that emcompasses some 150 small nations. So it is not possible that only 15 or 20 of those nations can be passing over the threshhold of a new era of progress while the very survival of others is being threatened."

In drawing a picture of the country, Alfonsin said: "We are struggling to leave behind sad and painful memories of a recent past of misunderstandings, oppression, and decadence." He asserted that "the road to democracy and growth which we have begun to travel calls for confidence, help, and understanding from all the peoples of the world." Alfonsin then pleaded: "I earnestly ask you to become, as men vested with moral authority, our spokesmen before the concert of nations, especially before the great military and economic powers of the world." I beg you as religious men "to testify that you have seen and contacted an Argentine people who want to work in peace, an Argentine people capable of positively joining in the common task of humankind for the sake of a better future for all the peoples of the world."

JUSTICIALISTS SUBMIT DOCUMENT TO DEBT MEETING

PY010204 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2316 GMT 29 Jul 85

[Text] Buenos Aires, 29 Jul (NA) -- The Justicialist Party [PJ] has said that the foreign debt "cannot be paid under current conditions, and warned that "persistent presures are forcing several countries to implement orthodox adjustment programs which are worsening Latin American problems on all fronts." This statement is contained in an extensive document which the PJ submitted to the Latin American foreign debt conference scheduled to begin on 30 July in Havana.

The PJ document makes an overall study of the critical situation created by the foreign debt and proposes eight courses of action. The last one proposes the continuation of the conference with another meeting next October in Mar del Plata at which the PJ will be the host.

The document says that one of the priority issues that must be discussed between the debtor countries and the creditors is the "prior agreement on the criterion to be used, to differentiate between the legitimate and the illegitimate debt."

"Meanwhile, the national and popular political movements of the debtor countries have the great responsibility to warn our governments and peoples that the debt's principal and interest cannot be paid," says the document submitted by the PJ as a draft resolution. The document adds that "a change of attitude from the creditors cannot be obtained through mere exhortations if the people do not mobilize and express their clear rejection of the virtual slavery proposed by the adjustment programs."

The PJ advocates "the immediate creation of a solidarity network between the Latin American debtor countries and the countries of the Third World aimed at guaranteeing, under any situation, access to the minimum strategic needs such as food, energy, and technology, and productive activity. The note also proposes "to appeal to church authorities and to Pope John Paul II in particular, requesting support for the fair demands of the debtor countries, as well as their rejection of the immoral usury to which they are being submitted, and sponsorship of a solution within the framework of a new international economic order."

The note stresses the need to "study the establishment of an international market, which would exclude the creditor countries, and the impact that this market would have on the improvement of the standard of living for the people from underdeveloped countries. These studies should be based on long-term planning of the respective national social economic models and on their position within that market."

The document labels the manner in which the foreign debt is collected as "sacking" and those who manage it as "spurious." "It still remains to be seen whether the creditors and their governments are willing to contribute from now on in eradicating the spurious debt, because only then will the true spirit of solidarity be able to become a reality," the PJ document states.

It also states that "it is senseless to appeal to the sovereignty of a country when its very social and economic policies, as well as the destiny of its peoples, are submitted to the approval of the IMF in a most casual fashion." In this regard the PJ urges "all the Latin American and Third World governments, during the next UN session, to summon an international law, in keeping with the terms of the 1969 Vienna convention regarding treaties, that sovereign immunity is inalienable, no matter what type of contracts exists between the United States and foreign individuals, corporations or states."

Later, the document demands that the IMF redefine the role it plays, ceasing to be "a representative of the creditor countries or of the creditors themselves carrying out a policy of imperialist power."

In the document submitted to Havana, the PJ says that "the world is faced with an economic-financial crisis of great magnitude and that the core of this crisis lies in the indebtedness level of the underdeveloped countries and their inability to pay their foreign debt as well as the interest on this debt."

It then states that "the orthodox proposals to reduce the debtor countries' abilities to produce and consume are not only unjust but useless, since this is not where the core of the problem lies."

The Justicialist delegation to the Havana conference is made up of economist Eduardo Setti, Jorge Dominguez, and Lito Muzykansky.

MILITARY COMMEMORATES STRUGGLE AGAINST TERRORISM

PY012338 Buenos Aires TELAM in Spanish 1323 GMT 1 Aug 85

[Text] Buenos Aires, 1 Aug (TELAM) -- Army Chief of Staff General Hector Rios Erenu today stressed the military merit of the Army members who participated in the antisubversive war. His speech was read during a ceremony held at the parade grounds of the Libertador building, the Army staff headquarters, where similar acts have been held every month in commemoration of antisubversive war actions. The ceremony began at 0745.

The ceremony was attended by High Command members, commanders, officers, and low-ranking personnel assigned to the Libertador building, and by the presidents of the infantry, artillery, and cavalry commissions, General Jose Maria Diaz, retired, General Miguel Angel Viviani Rossi, retired, and General Jaime de Nevares, retired, respectively. Also attending were Relatives and Friends of People Killed by Subversion President and Secretary Hebe de Berdina and Dolores Barcelo, respectively, and relatives of Armed Forces members killed in the last decade.

Gen Rios Erenu's speech, read at the ceremony by aide-de-camp Lieutenant Colonel Hector Gonzalez, was also read during similar ceremonies held in every Army unit and organization. In his speech, Gen Rios Erenu oulined the main actions terrorists staged in our territory between 1969 and 1978, and said that 21,642 subversive actions were reported in that period.

The Army message stated that the following terrorist actions were reported in the months of July [as received] during the antisubversive war: 498 bomb and incendiary attacks; 230 acts of intimidation; 243 abductions for extortion purposes; 126 murders; 302 cases of theft of explosives, vehicles, sanitary and communications equipment, documents, and uniforms; 48 holdups; 3 raids on military units; 15 raids in towns and factories; 9 attacks against the mass media; 362 propaganda actions; and 4 actions in which detainees were released. Regarding the most meaningful incidents, it was recalled that the town of La Calera, in Cordoba Province, had been violently overtaken by terrorists of the Montonero movement on 1 July 1970. Three policemen were wounded during that attack.

The incident of finding former President Pedro Eugenio Aramburu's body covered with lime, meaning that he had died in a most inhumane manner, was also referred to in the speech. Aramburu, who was kidnapped on 29 May 1970, was found dead in the cellar of a terrorist prison in the town of Timote, Buenos Aires Province, on 16 June 1970. The message also recalled another incident of varying importance that took place in July 1971 when two columns from the so-called Revolutionary Armed Forces took over the town of Garin in Buenos Aires Province. In 1976, some Montoneros set a bomb in the dining hall of the Federal police superintendency which exploded and killed 22 people, four of whom were women, and seriously injured or mutilated some 66 others. The death of Captain Juan Carlos Leonetti was also recalled. Leonetti had attacked by surprise the hideout of Roberto Mario Santucho, founder of the People's Revolutionary Army, in the Florida neighborhood in Buenos Aires Province. Santucho and some other terrorist leaders were at the moment evaluating terrorist operations in Tucuman and planning more kidnappings and murders as part of a main strategy. Captian Leonetti died during a face-to-face shoot-out, but his action represented a very hard blow to the high political and military echelon of delinquency. The ceremony ended with a moment of silence, and then the troops and invited guests dispersed.

FRONDIZI ENDORSES STATEMENTS ABOUT ARMED FORCES

PY020229 Buenos Aires BUENOS AIRES HERALD in English 30 Jul 85 p 11

[Text] (NA-DYN) -- Ex-President Arturo Frondizi yesterday endorsed former Army Chief of Staff Jorge Arguindegui's statements on Sunday to the effect that there was unease in the Armed Forces about the trial of nine former junta members for human rights violations, adding that it was becoming a "political show." The guilty should be punished but without blackening the Armed Forces, he told Radio Mundo. But Interior Under Secretary Raul Galvan yesterday called Arguindegui's remarks "excessive."

RADICAL SENATOR SCORES MILITARY MENTALITY

PY291946 Buenos Aires BUENOS AIRES HERALD in English 29 Jul 85 p 5

[Text] (NA-DYN) -- Radical senators spoke out on a variety of topics over the weekend with La Pampa's Antonio Berhongaray blasting the Armed Forces, Chaco's Luis Leon describing the foreign debt as unpayable, Misiones' Hector Velazquez proposing gasohol in the northeast, and the Capital's Fernando de la Rua praising the evening paper CRONICA on its 22nd anniversary.

Berhongaray yesterday told the Radio Belgrano programme Manana, Tarde y Noche the Armed Forces had the "Bourbon idea" that they were an institution apart from the rest of the country. The "military party" had to be transformed into "citizens in uniform," the Senate Defence Committee chairman emphasized. The three branches of the Armed Forces should co-ordinate their efforts better than during the Malvinas war, he added.

In other party developments, Interior Minister Antonio Troccoli is expected to meet Senators Edison Otero and Oscar Napoli togehter with Lower House Majority Leader Cesar Jaroslavsky in order to plan Radical strategy for the November 3 midterm congressional elections. On Saturday, Union of the Democratic Centre Deputy Alvaro Alsogaray said a vote for the Radicals in these elections would be a vote for "mediocrity."

CENTRAL BANK SAYS NO CHANGE IN INTEREST RATES

PY020205 Buenos Aires BUENOS AIRES HERALD in English 1 Aug 85 p 11

[Text] (NA-DYN) — The Central Bank last night announced that interest rates would remain at 3.5 percent for savers and five percent for borrowers. Furthermore, the minimum current account deposit is to be reduced one percent. The Central Bank also released four other circulars but none of these contained the expected release of frozen dollar deposits up to the value of 1,500 dollars or a new dollar deposit scheme.

SALVADORAN VICE PRESIDENT CASTILLO CLARAMOUNT ARRIVES

PY011709 Buenos Aires TELAM in Spanish 1135 GMT 1 Aug 85

[Text] Buenos Aires, 1 Aug (TELAM) -- Salvadoran Vice President Rodolfo Castillo Claramount arrived early this morning at Ezeiza International Airport, on Aeroperu flight No 695 with stopovers in Lima and Santiago. Argentine Vice President Victor Hipolito Martinez and his wife received Castillo Claramount and his wife at the airport at 0035. The visiting statesman will start his official activities in our country by honoring the memory of liberator General Jose de San Martin in a ceremony to take place at 1130 today.

TENSION REPORTED RISING IN POST-ELECTION CAMPAIGN

PY011616 Madrid EFE in Spanish 0850 GMT 1 Aug 85

[By Amanda Davila]

[Excerpts] La Paz, 1 Aug (EFE) -- Political tensions are rising in the post-electoral campaign being launched by the political parties to obtain support from other congressional forces when Congress meets in another 5 days to elect the new president.

Military activity has been intense since early this week, with meetings between chiefs and officers of the Armed Forces to analyze the country's political situation. At these meetings, the Military High Command produced a document in which the military institutions commit themselves to respect the congressional decision in the election of the president.

Some newspaper reports, however, have noted that there is unrest in some military sectors that want Congress to respect the relative majority obtained by General Hugo Banzer. It appears that this unrest is being encouraged by political parties that would like to see a military pronouncement should political chaos in Congress impede the election of the new president.

The Interior Ministry has stated that some political parties are creating restiveness among the Armed Forces through pressure as well as through professional and economic offers to secure support for their political designs.

The national network of the Radio Announcers School of Bolivia, which is run by the church, has denounced secret meetings being held between ADN [Nationalist Democratic Action] leaders and chiefs of the 21st Illimani Engineering Regiment, headquartered in the mining town of Uncia, 341 km south of La Paz.

This climate of unrest should be dispelled after the Congress elects the new president next week. Otherwise, a vacuum endangering the democratic process may ensue. The political crisis is being compounded by the economic crisis, which has worsened in the last days of the Siles Zuazo government. The authorities have not time to control prices because they are preparing final reports on their 3-year administration, as well as the protocol program to welcome the special visitors and for the transfer of power ceremony, while the country is being seized by tension and uncertainty.

MINISTER CRITICIZES RUMORS SPREAD BY RIGHTISTS

PY011544 La Paz Cadena Panamericana in Spanish 1130 GMT 1 Aug 85

[Excerpts] EFE News Agency has said that Bolivian Information Minister Percy Camacho Flores has stated that there are signs which reveal the actions of the enemies of democracy. Some media, traditionally allied to the dictatorships, have stepped up the frequency and intensity of their attacks on the government, the spokesman of President Siles Zuazo's cabinet added in exclusive statements to EFE.

Camacho stated that it is cause for concern that the communists have made threats and that there is talk about the prospect that Bolivia may become the scene of an international guerrilla action. The minister does not believe, however, that terrorist organizations, such as the Peruvian Shining Path or the M-19 movement of Colombia, have made Bolivia their center of operations.

EFE has learned from very reliable sources that Latin American terrorist organizations, among which were M-19 and the Shining Path, had meetings in Bolivia in January and May.

Percy Camacho added that with the exception of Che Guevara's guerrilla action, which was doomed to complete failure from its beginning, there has never been any communist danger in Bolivia, but this argument has been used as a pretext for imposing fascist-leaning dictatorships, such as General Banzer's government. The minister added: I fear that persons spreading this type of news belong to rightist sectors, and it is obvious that their nervousness is increasing, as a reality adverse to their interests is appearing. Camacho believes that democracy will survive in Bolivia, because the large majority of the people have again confirmed their wish to live in a democracy.

In the last few days, there have been rumors of a certain division among the military, between young officers who favor Gen Banzer's return to power, and the higher echelons who are congenial to Paz Estenssoro and who appear to favor respecting the constitutional decision of the Congress.

FINANCE MINISTER EXPLAINS WAGE INCREASE

PY311926 La Paz Cadena Panamericana in Spanish 1130 GMT 31 Jul 85

[Excerpts] Finance Minister Francisco Belmonte has stated that the resolution issued by three ministries granting a 63 percent increase to Bolivian workers reflects President Siles Zuazo's policy of continuous support for the labor sector. The finance minister made a point of stressing the reason for the resolution issued by the Finance, Labor, and Planning and Coordination Ministries.

Belmonte added that the President's report on the financial sector has practically been concluded and will probably be presented on 6 August to the National Congress, on the occasion of the transfer of presidential powers. He added that the new president of the Republic and the new finance minister will receive a detailed report on the economic situation.

CENTRAL BANK RESERVES LISTED AT $40 MILLION

PY011612 La Paz PRESENCIA in Spanish 24 Jul 85 p 1

[Excerpt] The reserves of the Central Bank of Bolivia [BCB] now stand at $40 million plus 800 kilograms of gold deposited with the Mining Bank of Bolivia. Next week, the BCB will receive $14 million from Argentina in payment for natural gas exports to that country.

An official of the bank, who did not want to be identified, told PRESENCIA that its executives intend to sell dollars at the official exchange rate of 75,000 Bolivian pesos to enterprises that manufacture nonessential goods, adding that "because the spread between the official market and the parallel market is so large, selling dollars to those enterprises at the official rate would be like stealing from the country."

SARNEY REFUSES IMF ON FURTHER CUTS IN SPENDING

PY301510 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 30 Jul 85

[Text] A deadlock has been reached in the negotiation of the foreign debt. The IMF is not content with the cut of 62 trillion cruzeiros in the public deficit and is demanding an additional cut of 20 trillion cruzeiros. President Jose Sarney has closed the question: The cuts are enough, because we need to grow by at least 5 percent per year. This is the reason for the comings and goings of missions to and from Washington.

SARNEY APPROVES MILITARY PROMOTIONS, ASSIGNMENTS

PY012055 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 85 p 5

[Text] Brasilia — Last night, President Jose Sarney signed a decree promoting Army, Navy, and Air Force senior officers. This is the second such decree signed by Sarney since he took office.

Since there were no vacancies in the highest ranks of Army general, admiral, and lieutenant general, Sarney approved the following promotions: Army, Brigadier General Angelo Baratta Filho, commander of the 9th Motorized Infantry Brigade (Rio de Janeiro), was promoted to major general (taking the vacancy left by General Newton Cruz); and Colonel Antonio Sebastiao Leonel Gomes Marsiglia, specialist in Communications who is serving at the Specialization and Extension Directorate in Rio, was promoted to brigadier general, thus filling the only vacancy in this rank. Navy; Rear Admiral Claudio Jose Correa Lamego, of the Navy Material Directorate, promoted to vice admiral, thus filling the only vacancy in this rank. Air Force; Sarney promoted Brigadier General Murillo Santo, chief of staff of the Aeronautics Ministry, to major general. Sarney also promoted Air Force Colonels Helio Paes de Barros and Luiz Carlos Picorilli to brigadier generals.

In other decrees affecting Air Force personnel, Sarney made the following appointments: Brigadier General Mauro Jose Miranda Gandra, to deputy director of the Directorate for Aeronautical Equipment; Brigadier General Ely Jardim de Mattos, to deputy director of the Air Force Material Directorate; Bridgadier General Wilson Freitas do Valle, to commander of the Command and General Staff College; Brigadier General Helio Paes de Barros, to chief of operations of the Civil Aviation Department; Brigadier General Luiz Carlos Picorelli Figueiredo, to commander of the 5th Air Transport Unit; and Colonel Disraeli Jaoquim de Amorim Saback, to acting deputy director for registration and control of the Personnel Administration Directorate.

COLONEL CONFIRMS EXISTENCE OF DEATH SQUAD

PY301353 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jul 85 p 13

[Excerpt] Colonel Jose Luiz Savio Costa, chief of the G2 (Intelligence Service) of the Planalto Military Command (CMP), yesterday afternoon confirmed the existence of a death squad within the Army — with at least 11 members -- responsible for at least 4 murders, including that of journalist Mario Eugenio in October 1984.

In a 3-hour hearing, Colonel Savio Costa told Edson Smaniotto, judge of the Sixth Criminal Chamber of the Brasilia Court, that in February 1985 the CMP started investigations parallel to those being carried out by the police to determine whether Army officers took part in the murder of farmer Joao Batista -- whose death was being investigated by journalist Mario Eugenio when he, too, was murdered. Colonel Savio Costa confirmed that the same group murdered two car thieves, Paulo Fernando and Jeronimo Lamas, and that it participated in the murder of the journalist.

According to Colonel Savio, Lieutenant Ricardo Avelino, commander of the CMP's Criminal Investigations Squad, Sergeant Antonio Nazareno Vieira, and Corporals Dirceu Perkoski, David Couto, and Aureliano de Oliveira are members of the death squad. He also discussed the names of Sergeant Sadir Berlanda and Corporals Edson Macedo, Lomar Cesar Inacio, and Alicio Mafrae Salomao Cancao, who the judge had not hear until yesterday. Another person has been identified, but the police have requested that his identity not be disclosed until he is placed under preventive custody.

This testimony -- considered by Attorney Paulo Lemos and Mario Eugenio's family lawyer as the most important obtained so far -- has uncovered the group and almost clarified journalist's murder. All that remains to be discovered is whether the crime was ordered by Sergeant Nazareno Vieira and Officer Iracildo de Oliveira, or by Colonel Lauro Rieth, former Federal District Public Security secretary, and Officer Ary Sardella, former chief of the Specialized Police Forces.

SPOKESMAN VIEWS MINISTER'S COMMENTS ON COMMUNISTS

PY311325 Rio de Janeiro O GLOBO in Portuguese 30 Jul 85 p 2

[Text] Commenting on Communications Minister Antonio Carlos Magalhaes' statement that "there are too many leftists in the government," presidential press secretary Fernando Cesar Mesquita yesterday said that President Jose Sarney has not ordered his aides to state their ideological affiliation because he believes that his requirement would be out of place in a democratic government.

Mesquita said: I believe Minister Magalhaes was speaking as a politician and was thus stating his personal opinion on this topic. Mesquita declined to comment on Magalhaes' remark that Rio de Janeiro Governor Leonel Brizola is an irritant for the government. Mesquita said: That is the minister's opinion.

Commenting on remarks by General Euclydes Figueiredo, a brother of former President Joao Figueiredo and commander of the War College, who expressed his displeasure over the legalization of the two communist parties, Mesquita said: That is a legal problem. The law empowers every political party to participate in national politics.

JUSTICE MINISTER PROCLAIMS END TO CENSORSHIP

PY312228 Rio de Janeiro LATIN AMERICAN DAILY POST in English 31 Jul 85 p 2

[Text] DAILY POST -- Rio de Janeiro, Justice Minister Fernando Lyra invited 5,000 artists and intellectuals to a gala ceremony abolishing the last remaining censorship control on books and newspapers. Lyra signed an order at Rio's Municipal Theatre allowing free publication on three books by authors Ignacio Loyola Brandao, Jose Loureiro and Ruben Fonseca banned since 1976 for undermining "morals and good customs." Lyra also freed some 5,000 songs banned in past years.

"This is a political event of the greatest importance," Justice Ministry spokesman Nicodemus Pessoa said.

Lyra promised to end censorship when he became justice minister at the start of the civilian government, which took office March 15 after 21 years of military rule. He set up a commission of lawyers and artists including popular protest singer Chico Buarque and writer Antonio Houaiss to make recommendations.

MINISTER ANNOUNCES PLAN TO BUILD FIGHTER JETS

PY011404 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 85 p 5

[Text] Aeronautics Minister General Otavio Moreira Lima, yesterday announced in San Jose dos Campos that in the next decade Brazil will enter the restricted club of countries that manufacture high-performance fighter jets. The Brazilian supersonic planes will replace the French-made Mirage III and the U.S. made F-5E, both of which have 1960's technology.

Minister Moreira Lima did not mention any dates, but it is possible that the Brazilian Aeronautics Company [Embraer] designers will receive the specifications of this modern airplane from the Air Force staff by June next year, when the AMX subsonic project, which is being developed together with two Italian companies, is concluded.

"We have been preparing the specifications for Embraer for a year. It will be a similar process to that of the Tucano airplane, which is a training plane for military pilots that turned out to be the best project of its class in the world," Minister Moreira Lima said. Embraer President Colonel Osires Silva, said that "a project of that kind takes about 8 years to mature, so we are waiting for a concrete order from the Aeronautics Ministry."

"We will choose as partners those countries that offer us the best conditions possible," the minister said, thus ruling out the possibility of having Latin American partners in the project. "It would actually be an ideal partnership but we need technologically-advanced partners; we have no use for partners with a lower technological level than ours in the aeronautics field."

Minister Moreira Lima did not reveal the amount of money needed for the supersonic project: "The accounting of resources needed to develop an aircraft can only take place after mass production begins, because the initial investments become divided by the amount of aircraft that are manufactured. The project becomes less expensive each time an aircraft is sold, as in the case of the Tucano planes, of which 300 were sold to pay off the initial investment."

The aeronautics minister was yesterday in San Jose dos Campos to participate in the ceremony of buying two 30-seat Brasilia airplanes for the Special Transportation Group [Grupo Especial de Transporte] of the Brazilian Air Force [FAB]. The two airplanes, which cost approximately $4.8 million each, will be delivered during the second half of 1985. Out of the 52 sales contracts that the Brasilia has for the domestic market, the FAB has 24. The airplanes that were ordered will come in a cheaper military version, which will be used for maritime patrol, transportation of troops and Airborne Warning and Control System Surveillance planes (AWACS).

The Brasilia, the first Brazilian-designed troop-transport plane, is the best sold among its direct competitors -- 50 airplanes were already sold abroad, besides having 44 pending sales contracts. There are 52 domestic sales contracts, including two negotiated yesterday.

Embraer will deliver seven airplanes this year, and they will start being mass produced this month. Six of them are meant for the South Atlantic Airlines (ASA) and the other one is for DLT, a German company owned by Lufthansa.

AGRICULTURE CHIEF VIEWS ROLE OF MINISTRY

PY301457 Rio de Janeiro O GLOBO in Portuguese 22 July 85 p 15

["Text" of interview Agriculture Minister Pedro Simon granted to O GLOBO on the 125th anniversary of the creation of the Agriculture Ministry, in Brasilia -- date not given]

[Excerpts] O GLOBO: This anniversary of the ministry comes at a time when the producers of all regions are questioning everything that has been done so far, and when the new Republic is about to define some crucial aspects regarding the next agricultural season, such as, production costs and the volume of credits. What are the main points of the proposal that your ministry has submitted to the National Monetary Council for 1985-86 season?

Simon: Our great concern is giving special treatment to small producers. It seems that either we look with some sympathy on the small producers, or they will have difficult times. Secondly, we attach importance to the production of basic foodstuffs. If we do not give special attention to basic products, we will continue to produce only export products to earn dollars. We still do not have a well-defined agricultural policy, but these at least are the main points of the agricultural policy we defend.

O GLOBO: Bank interest rates concern the farmers. Will that special treatment take the form of differentiated interest rates?

Simon: It is very difficult for the farmers to produce with the traditional interest rates, as occurred during the old Republic. This subject deserves special analysis, because even in the largest capitalist countries, great attention is paid to the interest rates charged for agricultural financing. On the other hand, we are concerned about giving special treatment to small food produders in the face of the current current interest rates. We believe that if next to cost expenditures, we do not try to ensure some investment, some replacement of machinery of lime -- which are considered investments, not costs -- the farmer will have to resort to financial institutions, thus making production costly and commercialization very difficult.

O GLOBO: Won't the volume of credits requested, 39.9 trillion cruzeiros, be considered too large?

Simon: Our proposal is well below the producers' demands. We proposed the minimum possible, because, if we do not pay reasonable attention to the next agricultural crop, we may have very serious difficulties in the future.

O GLOBO: How would you assess the state of Brazilian agriculture on the 125th anniversary of your ministry?

Simon: Brazilian agriculture stands at a very important crossroads. In the first place, although not many people realize it, 80 to 90 million Brazilians sustain themselves with agricultural products; and in second place, Brazil exports $8 billion worth of agricultural products. In addition to these $8 billion, practically two thirds of the remainder of our exports are based on agricultural products as raw materials, with a greater or smaller degree of industrial transformation. Agriculture is also playing a third role, manufacturing alcohol from sugar cane, which represents a savings of 170 barrels of oi per day.

O GLOBO: In your opinion, what is the greatest challenge for Brazilian agriculture?

Simon: The greatest challenge not only for agriculture but for the new Republic -- for President Sarney and for the whole of society -- is represented by the 30 million Brazilians who are hungry. When Brazil is spoken of as the eighth world power, this seems to be the greatest challenge for Brazilian society. The National Housing Plan is important; the efforts Education Minister Marco Maciel is making in the area of education are important; and in a sick country like ours the Popular Health Program is very important. But it seems to me that the citizens need food first. If they do not get food, they will not need health, education, or housing. They will not need anything, because, first, the citizens need to eat.

O GLOBO: In what condition did the new Republic find the Agriculture Ministry?

Simon: The ministry has always had much strength, authority, and respect. Brazilian economic history has always been linked to agriculture, from the cycle of Brazil wood to the cycle of the soybean. In recent years, the power of the Agriculture Ministry has been shrinking. Important products such as sugarcane and coffee are no longer under its jurisdiction. I am just noting a fact, I am not trying to claim the right to coordinate those programs. After all, because of its organization and tradition, this is the ministry that must look after production and supplies. But the truth is that in the area of supplies, there are other agencies such as SUNAB [Supplies Superintendence] and SEAP [Special Secretariat for Supply and Prices] that are outside the ministry. Also, within the ministry, some traditional agencies were transformed into enterprises with complete autonomy to operate independently of the ministry. This, by the way, was our first effort: to reunite the ministry, to establish coordination, and to unify action.

PINOCHET MEETS PRC STATE COUNCILLOR KANG SHIEN

PY011432 Santiago Domestic Service in Spanish 1100 GMT 1 Aug 85

[Text] PRC State Councillor Kang Shien has paid a courtesy visit to President Augusto Pinochet. The visitor, who has been in Chile for 2 days, talked with reporters upon leaving La Moneda Palace. Through his interpreter, Kang expressed his gratitude to President Pinochet, who received him despite his busy presidential agenda. He also said he told the Chilean president about his desire to promote bilateral relations.

[Begin recording of Kang speaking in Chinese with consecutive translation into Spanish] We have expressed our desire to strengthen bilateral cooperation and friendship ties on the basis of the five principles of peaceful coexistence. [end recording]

The PRC state councillor also said he conveyed greetings to the Chilean people through President Pinochet. The visitor's entourage includes some PRC Foreign Ministry officials.

MINISTER REJECTS EXISTENCE OF EXTREMIST GROUPS

PY010351 Santiago Radio Chilena in Spanish 2330 GMT 31 Jul 85

[Excerpt] Defense Minister Patricio Carvajal in answer to questions from reporters today rejected the possibility of the existence of extreme rightist groups such as the ones responsible for the acts of violence that have taken place recently. The minister also said that the participation of the people is not the solution to ending terrorism. Carvajal talked with reporters at the conclusion of a ceremony at the aviation school where the Chilean Aeronautics Industry Enterprise delivered two Pillan airplanes to the Chilean Air Force. The defense minister also declined to comment on the possibility that civilians were involved in the triple kidnapping and murder of the members of the Chilean Teachers Union.

7 CARABINEROS ARRESTED IN COMMUNISTS' SLAYING

PY020050 Santiago Radio Chilena in Spanish 2330 GMT 1 Aug 85

[Excerpt] Judge Jose Canovas Robles declared himself incompetent this afternoon to continue investigating the kidnapping and triple murder case of three professionals. Previously the judge indicted two Carabineros and also notified 12 Carabineros officers of the Carabineros Communications Department, Diconcar, of a judicial resolution preventing them from leaving the country. Those notified not to leave include Colonel Luis Fontaine, Dinconcar director. The policemen indicted by Canovas and who must stand trial are Orland Anibal (Carreno Nasar) and Pedro Reinaldo Ramirez Galvez. They are accused of falsifying public documents. The two policemen belong to the Carabineros Air Police Prefecture.

Government Evaluates Indictments

PY020300 Santiago Radio Chilena in Spanish 2330 GMT 1 Aug 85

[Report by Osvaldo Yanez]

[Text] During two meetings held in La Moneda Palace the government evaluated the decision made by Judge Jose Canovas indicting two Carabinerso and prohibiting 12 members of the Carabineros Communications Department from leaving the country.

During the first meeting Interior Minister Ricardo Garcia met with Justice Minister Hugo Rosende, National Intelligence Center Director General Humberto Gordon, Minister Secretary General of the Government Francisco Cuadra, Under Secretary of the Interior Alberto Cardemil, and Police Investigative Department Director Fernando Paredes. At about 1900 Minister Cuadra left his office and announced to reporters that he may talk to them later tonight. Immediately afterward the chief of the cabinet presided over the regular session of the council of ministers normally held every Thursday in the Interior Ministry.

The investigation carried out by Judge Jose Canovas will now have to be continued by Judge Francisco (Paguetti) of the First Military Court in Santiago.

Also at 1920 Carabineros Director General Cesar Mendoza Duran arrived in La Moneda Palace and immediately went to the office of President Augusto Pinochet.

Pinochet Orders Arrests

PY020355 Paris AFP in Spanish 0345 GMT 2 Aug 85

[Text] Santiago, 1 Aug (AFP) -- The Chilean Government, led by General Augusto Pinochet, tonight ordered the arrest of seven high-ranking officers and seven officials of the Carabineros, who were dismissed for participating in the kidnapping and killing of three members of the outlawed Communist Party. In addition, a communique issued by the Secretariat General of the government has reported that two Carabinero generals have tendered their resignations to the head of state.

The drastic decisions were learned upon the conclusion of a special meeting held by Pinochet with the military government junta after the judge who investigated the crime for 4 months ordered the arrest of two Carabineros and decreed the arraignment of another 12 Carabineros in order to prevent them from leaving the country. The government junta is made up of the Army, Navy, and Air Force commanders in chief, along with Carabinero Director General Cesar Mendoza.

The generals who tendered their resignations are Carabinero Deputy Director Rodolfo Stange and the chief of the Order and Security Services, Carlos Donoso. Col Luis Fontaine, chief of the Carabineros Communications Directorate, a special intelligence service, was among the dismissed and arrested officials. Two colonels, a major, two captains, a lieutenant, a sergeant, and four corporals were also punished together with the two Carabineros whose arrest was ordered by Judge Jose Canovas Robles.

Judge Canovas declared the investigation closed, and concluded that a police commando unit trained to fight subversion was the one that kidnapped and murdered the Communist leaders whose bodies were found beheaded in the suburbs of Santiago last 30 March.

The communique that was delivered at Government House tonight states that the government intends to help in the investigations in order to totally clarify the murders of Professor Manuel Guerrero, leader of the Chilean Teachers Union Association, Sociologist Jose Manuel Parada, a member of the Solidarity Vicariate of the Catholic Church, and draftsman Santiago Nattino.

INTERIOR MINISTRY RELEASES PROSCRIBED EXILES LIST

PY011630 Santiago Radio Chilena in Spanish 2330 GMT 31 Jul 85

[Excerpts] The Interior Ministry has released the sixth list of exiles not allowed to return to Chile without previous request for reconsideration of their cases.

This information was provided by the legal department of the Vicariate of Solidarity, through lawyer Humberto Lagos. The list was provided to airlines and to Chilean embassies abroad. The list includes 4,360 names, 216 less than the previous lists.

The lawyer added that the situation is serious and sensitive because the list includes new instructions and regulations for submitting requests for reconsideration. He said that, at least from a legal standpoint, a matter this serious should be regulated by government decree. However, the regulations in the list have been established through provisional Decree No 24 and through presidential resolutions. The situation of exiles now depends on transitory resolutions and the requests for reconsideration depend on presidential resolutions, Lagos added.

SEGUEL ON COURT DECISION, WORKERS' SUPPORT

PY012246 Santiago Radio Chilena in Spanish 1700 GMT 1 Aug 85

[Text] I will continue to be a leader as long as the workers want me, said Rodolfo Seguel, president of the Confederation of Copper Workers [CTC] and of the National Workers Command [CNT]. Several national and international organizations have expressed support for Seguel after the Supreme Court dismissed him as an employee of the Copper Corporation [Codelco].

This radio station was able to contact Seguel in Antofagasta from where he is returning to Santiago thise evening after meeting with all the copper worker unions in the northern area. Seguel talked about the Supreme Court decision to reject his appeal to be reinstated to Codelco.

[Begin recording] I would like to be very clear and sincere with all the workers who believe in us. I never had any hopes in the appeal for reinstatement. It never crossed my mind that the same five members of the Supreme Court were going to change their previous decision, and this is why I received the decision in complete tranquillity at my meeting with fellow workers and union leaders, who have given me all their support, who have confirmed me as their president. I received the support from all the workers at the Chuquicamata area. I met with all the workers and union leaders of this area, and I found that their support is unanimous. Rodolfo Seguel was elected by the workers and only the workers are going to get him out. Therefore, this is how I received the Supreme Court's decision. I received it working with my fellow workers, briefing them on the CTC situation, and explaining the situation of our country. [end recording]

Seguel pointed out that as a result of the decision by the Supreme Court yesterday, the CTC, in accordance with a decision made by its executive council during its latest session, has immediately called for a meeting. Seguel also emphasized that the Supreme Court decision is going to influence not only the CNT meeting called for 3 August but also the entire country.

[Begin recording] I believe that the court's decision will influence the country, and the entire Chilean labor movement, and the five members of the Supreme Court knew this very well. They know what it would mean to make a decision against a labor organization, a decision not against a person but against the Chilean workers. It is quite clear that we union leaders are going to be leaders until the workers say otherwise and we are not going to leave our positions even if the government officials say so, even if the courts say so. If the workers say otherwise we will comply with what the workers say. The CNT has already supported our actions. I believe that if there is uneasiness among the unions they will say so during the upcoming 3 August meeting, and we as CNT leaders are ready to face the situation, and to try to guide it to the best possible outcome for the Chilean workers. [end recording]

Seguel also said that as things stand now he does not have the option of returning to Codelco. He said that the same thing has happened to other workers who have been dismissed and many others will get the same treatment, but that this is a risk that one must take in confronting a regime as harsh as the current one.

The Confederation of Private Employees, the Confederation of Bank Workers, the Number One Union of Chilean Airlines, the Federation of Textile Workers, international federations, and many other organizations have rejected the Supreme Court's decision and expressed solidarity with Seguel.

TERRORIST CELL DISCOVERED, SUBVERSIVE ARRESTED

PY010258 Santiago Radio Chilena in Spanish 2330 GMT 31 Jul 85

[Text] A terrorist cell has been discovered in the Eighth Region. One of the subversives was identified as Edmundo (Fret Burgos) and he is accused of being a member of the outlawed Communist Party. This information was provided by the fifth Carabineros precinct. The information added that the subversive participated in several bomb attacks and that he confessed to having been trained with 30 other extremists in (Dilua) and Curanilahue. The terrorist has been put at the disposal of the Second Military Court in Concepcion.

28 CHRISTIAN DEMOCRATS ARRESTED IN PUNTA ARENAS

PY270205 Santiago Domestic Service in Spanish 2300 GMT 26 Jul 85

[Excerpt] Ten of the 28 persons arrested at dawn this morning in Punta Arenas have been placed at the disposal of the regional government in compliance with a decree issued by the Interior Ministry today.

Some of the arrested persons were released this morning. Among them were three youths and three adults with health problems.

[Begin report from Punta Arenas] Ten of the 28 members of the Christian Democratic Party of Magallanes, who were arrested as they were taking part in an unauthorized political meeting, have been placed at the disposal of the regional government in compliance with a decree issued by the Interior Ministry.

This information was disclosed by the intendancy of this region through Rolando Mancilla, regional government secretary, who added that three youths and three adults with health problems had been released at dawn today.

These 28 persons were arrested at 0030 on Friday, 26 July inside a sports club where a folkloric gathering was taking place. According to the Magallanes regional government, the meeting was of a political nature.

BETANCUR DISCUSSES CONTADORA, FOREIGN DEBT

PA012234 Bogota EL SIGLO in Spanish 31 Jul 85 p 8

["Excerpts" of 30 July new conference at Catam Military Airport by Belisario Betancur upon his return from the Peruvian presidential inauguration; questioners not identified]

[Excerpt] [Question] Mr President: You discussed the Central American situation. What kind of new support did the Contadora Group receive?

[Answer] The southern cone countries and Peru agreed to support establishment of a group of support for Contadora and in his inauguration address President Alan Garcia was very expressive in his support for the Contadora Group.

[Question] Mr President, you spoke with the Colombian community in Peru about the peace process and you said that you would like to see approximately 10 or 20 FARC [Revolutionary Armed Forces of Colombia] members in Congress in order to change the dialectics of violence into dialogue. What can you tell us about this?

[Answer] I told my fellow countrymen that some sectors of the Colombian public are concerned because representatives of the guerrillas may suddenly, through the popular mandate, be given seats in the Chamber of Representatives or the Senate. I said that if this happens with the guerrilla organizations that have very responsibly opted for the electoral path, it would mean that they have changed the dialectics of machine guns and rifles for persuasion. The country will gain from this if it happens.

[Question] It has been said that the international credit negotiations have ended and that the domestic adjustment process has been completed. Can you comment on this?

[Answer] I categorically stated this in my speech to the legislative chambers. I said that thanks to the cooperation of the Congress, the most intense phase of the adjustment and self-discipline has been completed. Therefore, I have announced that what follows is a social government, an easing of social tensions. Why? Because the new resources that will come from the external credit will be used to a great extent for social infrastructure. In other words, they will be used to strengthen the education, health, and housing campaigns -- the public expenditures will also be reoriented in that direction.

Moreover, we have categorically stated that none of the bills to be submitted to the Chamber of Representatives and the Senate involve new fiscal sacrifices. What exists is a reordering of public expenditures. I also said that 3 days ago, the IMF board of directors after an intense session gave a green light to Colombia's program of reorganization, readjustment, and discipline. I also said that almost all of the foreign financing has already been negotiated and agreed upon with the international banks. The texts of the contracts are now being drawn up so they can be signed in the next few weeks. This will permit the flow of resources to start in September.

The essential part of this foreign financing has already been agreed and the terms of the contracts already decided. Only a very few portions remain and if they were not accepted by some small banks, they will be accepted by large international commercial banks.

Therefore, I hope everything will be less arduous.

URUGUAY'S PRESIDENT BEGINS 4-DAY VISIT

PA012121 Paris AFP in Spanish 1653 GMT 1 Aug 85

[Text] Bogota, 1 Aug (AFP) -- Uruguayan President Julio Maria Sanguinetti arrived in Bogota at 1640 GMT on board the Colombian presidential aircraft that flew him from Quito. Sanguinetti is beginning a 4-day official visit to Colombia. He was welcomed by Colombian President Belisario Betancur at the Catam military airport 18 km west of Bogota. The two presidents will meet at Narino Palace at 2300 GMT. At the Colombian airport, Sanguinetti received military honors.

TERRORISTS BOMB COMMUNIST PARTY HEADQUARTERS

PA011843 Bogota EL TIEMPO in Spanish 31 Jul 85 p 7

[Text] Medellin, 30 Jul -- According to the police, a terrorist group exploded a bomb at the headquarters of the Communist Party of Colombia [PCC]. As a result, two students were injured and there was structural damage totalling 500,000 pesos. The attack was carried out when this party's installations, which are located 1 and 1/2 blocks from the metropolitan church, were empty.

The bomb was hurled by unidentified individuals travelling in a yellow Renault. The explosion wounded 21-year-old Liliana Montoya and 27-year-old Luz Seida Vargas Duque, reportedly students at the Liceo Juvenil Anqioqueno located across from PCC headquarters. The explosion also destroyed the building's windows, cracked a wall, and destroyed a door of the nations's general comptrollership.

FURTHER REPORTAGE ON URUGUAYAN PRESIDENT'S VISIT

Signs Joint Declaration

PA011737 Quito Voz de los Andes in Spanish 1130 GMT 1 Aug 85

[Text] The presidents of Ecuador and Uruguay have signed a joint declaration in which they reiterate their commitments to promote the universal and unlimited application of human rights and essential freedoms.

[Begin unidentified speaker recording] Convinced that the Central American situation must be the object of a deep analysis and that the real solution can only be obtained through dialogue, negotiation, and effective respect for the principles of nonintervention and the self-determiniation of peoples, they support the Contadora Group's efforts, emphasize the activities carried out within the OAS, and promote the deepening of bilateral talks.

Convinced that an authentically democratic and representative system of government guarantees peace, the full prevalence of law, the achievement of the ideals of justice, and an atmosphere of freedom that permits the full development of man, they publicly reaffirm their confidence in this system and they express their firm desire that it be established throughout the region.

They reiterate their belief that an authentic democracy must be based on respect and the unlimited exercise of universal sufferage. Aware of the importance of respect for human rights and essential freedoms, they promise to promote the universal and unlimited application of this principle. They reject all threats and actions of terrorism whatever the ideology, considering it as an attack on humanity, democracy, and society which it tries to destroy through violence and fear. In this regard, they agree that it is urgent that the necessary mechanisms to eliminate this evil be established. They reiterate the Quito declaration against drug trafficking that was signed on 11 August and that described drug trafficking as a crime against humanity. The president of Uruguay expresses his support for that declaration. The two presidents support the prompt holding of a specialized conference for the analysis of the juridical and institutional problems in the fight against illegal drug trafficking that was agreed upon in the New York declaration on 1 October 1984.

They reaffirm the right of all the world's peoples to freely use their natural resources and wealth without detriment to the obligations resulting from international economic cooperation.

They express their concern over the constant deterioration of the environment and they reiterate all governments' obligation to watch over the improvement in living conditions and the maintenance of the earth's fragile ecosystem that must be preserved by every means. They state that in view of the mutual interests of the two countries with regard to the resources of the sea and their vital importance for their economies, they will continue to coordinate their actions for the best defense of their rights over their corresponding marine areas and resources in order to guarantee their conservation and use to benefit their peoples.

They express their common interest in supporting all actions that seek a better understanding and cultural exchanges between the two peoples and stress the values of their respective ideas in all cultural, artistic, scientific, and research fields. [end recording]

The joint declaration of the Ecuadoran and Uruguayan presidents also stated: Convinced of the importance of the commemoration of the 500th anniversary of the discovery of America, both governments will coordinate their efforts to intensify the actions already underway for this purpose.

President Leon Febres Cordero said: There are many forms of cooperation between Uruguay and Ecuador that should be intensified through new agreements and a constant exchange of trade and experiences that our governments are willing to promote for the good of our peoples.

Ecuadoran President Leon Febres Cordero and Uruguayan President Julio Maria Sanguinetti further stated in their joint declaration that the foreign debt is one of the most serious Latin American problems and it should be solved with a historic perspective, bearing in mind the peoples' right to their survival and development.

The presidents agree on the importance that meetings of businessmen's missions have for the intensification of bilateral trade. In this regard, they promote the establishment of a binational chamber of businessmen for which purpose the foreign ministers will sign an exchange of notes. They also support the cooperation between Ecuadoran and Uruguayan foreign trade companies.

They agree that the foreign debt is one of the most serious Latin American problems and that if must be solved with a historic perspective, bearing in mind the peoples' right to their survival and development. In this regard, they agree to promote the political dialogue between debtors and creditors at the highest possible levels in view of the existing co-responsibility for the origin and evolution of this problem. The dialogue must include, among other things, the revitalization of trade, the obtainment of new financial resources, an increase in foreign investment, and, in general, effective international cooperation for mutual benefit. In this context, they express their resolute support for the actions undertaken by the Cartagena Consensus for the solution of the foreign debt problem and the attainment of real growth options for the development of their peoples.

They state that it is avisable for the Latin American peoples to coordinate their actions in the new round of multilateral trade negotiations to eliminate protectionism and guarantee greater trade participation for the developing countries, particularly through the payment of just, remunerative prices for their main export products. This liberalization process must be accompanied by corresponding measures in the monetary and financial fields to permit the obtainment of resources to improve those peoples' living conditions.

Departs for Colombia

PA011537 Paris AFP in Spanish 1522 GMT 1 Aug 85

[Text] Quito, 1 Aug (AFP) -- Uruguayan President Julio Maria Sanguinetti left at 1015 local (1515 GMT) today for Bogota after a 4-day visit to Ecuador at the invitation of President Leon Febres Cordero. The Uruguayan president left aboard a Colombian Air Force aircraft that arrived in Quito yesterday.

MINISTER DISCUSSES COLORADO PARTY SPLIT

PY301919 Asuncion HOY in Spanish 24 Jul 85 p 12

[Health Minister Dr Adan Godoy Jiminez interviewed by unidentified reporter on 23 July -- place not given]

[Text] [Reporter] Mr Minister, you have reiterated that there is a sort of split within the Colorado Party, that the situation should be considered seriously, and that it is necessary to speak sincerely. Does this mean that some members of the Colorado Party Executive Board are not speaking as sincerely as they should?

[Godoy] I do not know whether I should call it a lack of sincerity of a failure to meet one's own responsibilities. I do not know which of these two expressions provides the best definition. I believe that if someone does not face up to a fact, rather than being sincere or insincere, he is failing to meet his responsibilities. And I believe this is even more serious. This is what I think about what I have seen. It is not a product of my imagination; I have evidence that things are actually like this. This is not the first time I have said this. I have told the party Executive Board exactly the same thing on several occasions, because I believe a real fact should not be hidden behind words. It has been said that there is dissidence, disagreement, differences, and discrepancies, evading a word that must be used in political language. Beyond all doubt, we have to admit there is division. I am very well aware of the meaning of this word, should anyone ask me. Division is the most appropriate definition for this situation, because it has a stronger connotation. This is the way the people have interpreted this situation, and I believe it is correct. It is exactly what I have wanted to say. I am very concerned about the urgency of the issue, because many fellow party members are confused and a bit scared because they recall a division within the party that brought serious and deplorable consequences in the past. Many of us who went through that do not want to experience it again. I do not believe it is impossible to overcome a division. We can overcome it if all of us bear our share of the burden, if we face up to reality, and if we meet our responsibility as leaders. The people should no longer be told something that is different from what is really happening.

[Reporter] You have just said that the situation calls for immediate solutions. In your opinion, what measures should be taken immediately to neutralize this division?

[Godoy] The leaders who are more deeply involved in this type of activity are perfectly well identified. These fellow party members should be summoned by the party authorities, for example, by the president and the vice presidents of the party Executive Board, or by the Executive Board itself. There is a consultation committee to which the president can resort. This committee could also summon these fellow party members and call their attention to the mistake they are making. I believe it is absolutely necessary to take this measure after the major differences have been narrowed.

Therefore, a series of perfectly feasible procedures must be implemented immediately. For example, the administrative organizations that are run by people who belong to one political line should be immediately reviewed so they can be replaced by neutral people, by people who definitely do not belong to one political group or the other. The committee in charge of reviewing party affairs should make the appointments, taking into account the need to choose neutral people as well as several other aspects that would take too long to list. I have a feeling that the leaders who share my point of view represent a minority within the government junta, and I am well aware of this.

I am almost certain, since I, too, am mentioned as a supporter of a certain group, that all those who support me will praise my attitude, and that all those who belong to the other group will disapprove of it. I am as absolutely certain about this as I am that those who refute my statement do not belong to the same group I belong to.

[Reporter] Certain political leaders have said that your statements on this issue are exclusively personal.

[Godoy] I have not heard what they have to say, but I know what they think. I am aware of this situation because, in order to make a comment of this nature, I have said something I am completely convinced about. I cannot make a personal statement; I was chosen as a member of the government junta by the members of the Colorado Party and, although I am not exactly speaking on their behalf, I cannot make an isolated comment. Moreover, I am one of the vice presidents of the party. I do not have the habit of speaking from a personal or institutional point of view. Whenever I speak, I do so aware of all my positions. Why should I forsake any of my positions? I don't know what they mean when they say speaking "from a personal point of view." I am engaged in a political activity, I serve a political party, and the Colorado Party members almost unanimously elected me as a member of the government junta, and later, I was elected one of its vice presidents.

[Reporter] You have also said you are worried about the fact that President Stroessner's name is not mentioned as often as it used to be. Do you believe the party is suffering an ideological split?

[Godoy] I do not believe the party is suffering an ideological split, because I do not believe a split of this nature is possible within a party such as ours. Should this be the case, then one of the lines ceases to be a Colorado line. In other words, if the party members follow the same ideology but different methods, it means that they are not united from the ideological point of view. But if there is a complete split, it means that there are two political groups under the same name. One of these parties will necessarily have to stop calling itself the Colorado Party. This is why I do not talk about an ideological division. To talk about a disagreement between fellow party members is enough. This is what I call division, but I do not want to give it a name. I do not believe that an ideological division within a political party is possible. From the moment there is an ideological division, there are two parties that used to be one but are now split. Therefore, in the case of our party, one of these groups will cease to be the Colorado Party.

[Reporter] Since you have been a member of the Colorado Party for a long time, do you believe there is any difference between the symptoms of division of the current situation and those of the past?

[Godoy] There is a difference in the origin thus far. There is a difference in the manner in which the problem is being attacked. The division of the past, the one you are speaking of, started with a violent action when a group of people practically assaulted a convention. The division began then and there, violently, had a violent development and, mainly, a very violent end that resulted in very disagreeable consequences. Now, regarding our current case, I believe that this has not been an eruption or a violent thing; it apparently started during some orderly meetings of some auxiliary bodies of the Colorado Party Executive Board. They may have one origin or another. However, I believe that the situation has not yet been resolved, because it is still here. It has already emerged, and now it is being reflected in the political atmosphere. I believe that there is a difference between this division and the one of the past. It is different from the division between the Guiones and the Democrats [contending Colorado factions in the forties] which developed and ended violently. In our current case, we could say that there is a peaceful disagreement; some of us believe it started during a democratic assembly of the Colorado Party.

[Reporter] Dr Godoy Jimenez, you have said some people would welcome your statements and others would criticize them...

[Godoy] I believe some people will applaud what I am saying and that others will rebut me. I am perfectly aware that this may happen in the future. But I will tell you that this morning I met with major leaders, with the Executive Board of a party chapter, and with the presidents of several party chapters. Several people have telephoned me to applaud my statements. These people are, to a certain degree, hoping that the division will be overcome.

[Reporter] Do you mean the militant sector supports your position, while the traditional sector rejects your statements?

[Godoy] I think so. Many of our friends from the traditional sector will surely agree that whenever there is a division, one must unfortunately take sides. I have even suggested the use of a different name in order to solve the situation our friends from the traditional sector are confronting. I have asked them: "Why don't we call ourselves combative Stroessnerist Colorado Party members?" Recently, I have consistently stressed the concept of Stroessnerism, because I am also concerned about what I said at the beginning. Sometimes some people may not want to refer to an ism as involving someone in particular, because it may look like a personality cult. I Hope this is the real nature of the problem some of our fellow party members are confronting, and not something more serious. If that is the case, I would be much more concerned.

In conclusion, I would like to make a call to those fellow party members who have contacted the press to talk about my statements. I do not want to engage in polemics with my fellow party members, because I do not think it is good to let things get too hot when there is dissidence and discrepancy. Any discussion should take place in our house, the Colorado Party headquarters. In addition, I do not want to refer to anyone in particular, which is why I have avoided making personal references.

I have great respect for the press, to which I am indebted in my capacity as a statesman. I have always responded to every request from the press, because it is my duty.

I feel very calm and firm in my position. I think I am right. By no means have I changed my mind or am I concerned. On the contrary, I am ready to ratify what I have said.

Party Leaders Deny Spilt

PY311326 Asuncion EL DIARIO in Spanish 24 Jul 85 p 8

[Excerpt] Many Colorado Party leaders yesterday admitted some disagreements, which they described as normal, within the party. They categorically denied, however, that there is a split. They all commented on remarks by Dr Adan Godoy Jimenez [health minister and a vice president of the Colorado Party], who has reaffirmed his position.

Juan Ramon Chaves, president of the Executive Board of the National Republican Association [Colorado Party], has said that there is no split within the party because the rank and file does not support this or that sector. Thus, no one can speak of a split. Chaves added that, on the contrary, "those advocating the party's unity have received nationwide support."

Ruben Stanley, another Colorado vice president, was surprised by Godoy Jimenez's remarks. Stanley said: "I believe he has taken a mistaken approach to this problem. I don't think the Colorado Executive Board has ever adopted the position he mentioned. I don't believe we have ever put President Stroessner's name aside; on the contrary, we have always made it clear that we are standing by the president of the Republic." Stanley added: "It is an insult to speak of a split within the party at this moment; it would even be an insult against the president himself because he has always emphasized the need for us to maintain unshakeable unity." Stanley added: "Much has been said within the party about militants and traditionalists. In this regard, I want to say that I am both a militant and a traditionalist. Because I joined the party without conditions, I have accepted its traditional heritage."

Regarding the split mentioned by Dr Godoy Jimenez, Stanley said: "If he considers himself to be separated from his fellow party members, that is up to him, but I would like to sound out a little bit the general opinion on his topic. As he proposed, let us speak clearly. We are perfectly aware of the meaning of a split and of its consequences." Stanley added: "What I can infer from Dr Godoy Jimenez' words is that he is trying to tell us that the party is divided between Stroessnerists and anti-Stroessnerists; to me, this is unacceptable. I cannot believe that an experienced man like him would make such a mistake. Stanley also noted that he does not accept the idea of a division within the party since "in order to be significant, a division must be based on ideological differences, and this is not the case. We are all Colorado members who support Stroessner." He accepted the fact that there are disagreements within the party, "which is normal in a democratic group." He said he would take the issue to the party's Executive Board.

Asked whether the Colorado Executive Board has considered the post-Stroessner era, Stanley said: "That is just a phrase coined by the opposition. At the Colorado Executive Board we have never touched on that topic because it would be an offense to ourselves and to President Stroessner."

ROK'S PAK SE-CHIK ARRIVES FOR 3-DAY VISIT

PY312035 Asuncion PATRIA in Spanish 31 Jul 85 p 9

[Excerpts] Pak Se-chik, Minister of Government Administration of South Korea, arrived in Paraguay at 1415 yesterday. The visitor will spend 3 days in Asuncion as an official guest of the Paraguayan Government. Minister Pak Se-chik is a "special envoy" of Korean President Chon Tu-hwan.

At the President Stroessner International Airport, the distinguished visitor and his wife were welcomed by Interior Minister Sabino Augusto Montanaro, Industry and Commerce Minister Delfim Ugarte Centurion, Foreign Ministry Director of Protocol Julio Pena, Korean Ambassador to Paraguay Kim Sok-kyu, members of the Korean community in Paraguay, and high-ranking Paraguayan government officials. Minister Pak Se-chik met at 1730 yesterday with Paraguayan Foreign Minister Carlos A. Saldivar with whom he discussed important issues that have to do with Korean-Paraguayan relations. At 1800 he met with Interior Minister Sabino Augusto Montanaro at the Interior Ministry. The two dignitaries held a lively dialogue on the relations between the two countries.

GOVERNMENT ANNOUNCES NEW ECONOMIC MEASURES

Garcia Advances Guidelines

PY011607 Lima Cadena Panamericana Television in Spanish 0300 GMT 1 Aug 85

[Excerpt] President Alan Garcia has affirmed that the savings of the public are secure and there will be no traumatic devaluation of the Peruvian peso. He said this in an impromptu press conference in which he advanced some general guidelines of the government's economic policy which, he said, will be made public tomorrow [1 August]. In that regard, he said the foreign debt will be renegotiated, the tax base will be expanded, and the government will spend resources on projects that are most urgent and socially productive. He also said that the minimum wages will be substantially raised, purchasing power will be maintained, and positive uses will be made of domestic savings. He further said that the price of gasoline will have to be increased until the political system of the previous government is corrected.

Banking Activities Resumed

PA011624 Paris AFP in Spanish 1553 GMT 1 Aug 85

[Text] Lima, 1 Aug (AFP) -- The Peruvian Government has resumed banking activities after a 2-day suspension. It was officially reported today that the free use of bank certificates has been frozen, and a wage and salary increase has been decreed.

"As of today banking activities are reestablished. In addition, pertinent measures have been adopted to ensure financial activity through the regulated use of bank certificates for 90 days. The value of these certificates is duly guaranteed by the government," the official communique stated.

In a second communique issued by the presidential Press Secretariat, the government decreed a general wage and salary increase for state and private sectors "in view of the emergency situation the national economy is facing." The increases are as follows: for those who earn the minimum wage (350,000 soles, approximately $27) 50 percent; for the teaching sector (professors) 22 percent; and for the public sector (state) 15 percent.

This morning Agriculture Minister Mario Barturen Duenas confirmed that within a few hours the official prices of nine basic food products will be controlled: rice, milk, noodles, sugar, oil, potatoes, dried vegetables, chicken, and eggs.

Banking activities were suspended last Tuesday and Wednesday to carry out a national audit of capital in national and foreign currency at credit institutions throughout the entire country, it is reported. Nevertheless, unofficially it was stated that the measure was decreed to investigate a massive transfer of foreign currency, and that the banking and trade superintendency has a complete report on the transfer of capital carried out thorugh the banking system.

Meanwhile, the freezing of bank certificates for 90 days is related to statements by President Alan Garcia Perez who said that foreign currency would be used for priorities and to avoid speculation.

Sol Devalued 12 Percent

PA011632 Buenos Aires REUTER in Spanish 1608 GMT 1 Aug 85

[Text] Lima, 1 Aug (REUTER) -- The Peruvian Government devalued its official currency, the sol, 12 percent today in relation to the U.S. dollar as part of a series of economic measures by the new authorities headed by President Alan Garcia, a spokesman for the Central Bank announced. The spokesman indicated that the rate of exchange of the sol was devalued from 12,418 - 12,491 to 13,908 - 13,878 soles.

The Peruvians banks, which have been closed since Friday, reopened their doors today, but they were prohibited from conducting foreign exchange transactions until receiving the new guidelines from the banking superintendency, he indicated.

Foreign Debt Payment Postponed

PY012257 Buenos Aires TELAM in Spanish 2218 GMT 1 Aug 85

[Text] Lima, 1 Aug (TELAM-REUTER) -- The newly inaugurated Peruvian administration has, by a presidential decree issued this evening, ordered the postponement of the payment of its debt to foreign banks, which comes due within the next 5 months. The decree states that the payment of the long- and medium-term debt of the public sector, which should have been paid between today and the end of January 1986, has been postponed until 31 January 1986. This measure includes the debts of the Peruvian Government, the state companies, and the Central Bank. It should be recalled that Peru is already behind schedule by several months in paying its debts.

ENERGY MINISTER ON U.S. COPPER RESERVE SALES

PY011448 Madrid EFE in Spanish 0239 GMT 1 Aug 85

[Text] Lima, 31 Jul (EFE) -- Peruvian Energy and Mines Minister Wilfredo Huayta today said that there have been no negative reactions from the U.S. oil companies operating in Peru to President Alan Garcia's announcement about suppressing their tax exemptions. The U.S. enterprises which work under contract in Peru are Occidental Petroleum in the Amazon jungle, and Belco Petroleum on the continental shelf.

The minister added that there is no fear that the companies will take their invested capital out of the country, and that there has been no negative reaction from the U.S. enterprise Southern Peru Copper Corporation, which is exploiting copper mines in the southern part of the country.

Regarding copper, Wilfredo Huayta said that Chile and Peru have coordinated measures to protect their copper production in case the United States puts $2.5 billion in copper reserves on the market, as it announced it would do. Chile and Peru are founding members of the Intergovernmental Council of Copper Exporting Countries (CIPEC).

If the United States sells this copper, said Huayta, the copper-producing nations would be seriously affected. The minister called such a sale an open aggression against our economy and stressed that the U.S. Administration should take into consideration what was said by former Secretary of State Henry Kissinger about supporting Latin America with a sort of Marshall Plan.

Huayta said Peru now produces 380,000 tons of copper per year and that if the United States sells its copper, Peru would offer its production to the Asian market where it could possibly be sold.

MINISTER SEEKS TO SPEED TRIAL OF TERRORISTS

PY311821 Paris AFP in Spanish 2334 GMT 30 Jul 85

[Text] Lima, 20 Jul (AFP) -- Only 16 of the approximately 980 detainees charged with involvement in terrorist activities have been sentenced, Luis Gonzalez Posada, the justice minister of the new Peruvian administration, said here today. In statements made after he was installed, Gonzalez Posada said that this reveals that the trial of the terrorists has been proceeding slowly. He added that he recommended that Supreme Court President Cesar Barros Conti order the judicial branch to act more rapidly. We asked him that all the detainees charged with involvement in terrorist activities be sentenced and that the cases involving other crimes also be speeded up, he said.

FRG'S WARNKE ENDS TALKS WITH GARCIA, RETURNS HOME

LD011639 Hamburg DPA in German 1458 GMT 1 Aug 85

[Excerpt] Lima, 1 Aug (DPA) -- Following his discussions with the new social democratic president, Alan Garcia, West German minister for Economic Cooperation Juergen Warnke pointed to the "bright prospects" for further close cooperation with Peru. This applies primarily to the intention of the new government to promote, as a priority, the agriculture of backward regions, Warnke said. Peru is a focal point of German development aid in Latin America. Warnke concluded his 5-day stay in Peru today, and began his return flight to Bonn from Lima. Warnke said his half-hour talk with Garcia took place in a "frank, trusting, and open atmosphere." They touched on the problem of Peru's foreign debt, amounting to $14 billion, for which Garcia wants to negotiate new conditions excluding the IMF.

ROK SPECIAL ENVOY MEETS VICE PRESIDENT

SK300217 Seoul THE KOREA HERALD in English 30 Jul 85 p 1

[Text] Minister of Government Administration Pak Se-chik visited Peruvian Second Vice President L. Alva Castro at his office Sunday and exchanged views on ways to promote bilateral cooperation. The Ministry of Foreign Affairs yesterday quoted reports from Lima as saying that Pak conveyed to the Peruvian vice president the Korean Government's congratulations on the inauguration of the new Peruvian Government. The minister is now on a tour of five Central and Latin American countries as President Chon Tu-hwan's special envoy. During the one-hour meeting, Pak expressed the hope that the existing friendly relations between the two nations will be further promoted in various fields including economic and trade sectors, the reports said. Pak also asked the Peruvian Government's sustained support for Seoul's stand on the peaceful unification of the Korean peninsula at such international forums as the Nonaligned Movement and the United Nations.

Delivers Invitation to Garcia

SK010201 Seoul THE KOREA HERALD in English 1 Aug 85 p 1

[Text] Minister of Government Administration Pak Se-chik met with Peruvian President Alan Garcia Perez in Lima Tuesday to deliver President Chon Tu-hwan's letter. A Ministry of Foreign Affairs official said, quoting a report from Lima, that President Chon invited President Garcia to visit Seoul. Garcia accepted the invitation.

MINISTRY CONSIDERING RELATIONS WITH PALESTINIANS

PY011658 Paris AFP in Spanish 1323 GMT 1 Aug 85

[Text] Montevideo, 1 Aug (AFP) — The Uruguayan Foreign Affairs Ministry is analyzing steps to be taken to establish diplomatic relations with the Palestinian people, sources of this ministry announced today. According to the spokesmen, Uruguay is studying the possibility of opening such relations through the Arab League, which has diplomatic status in many Latin American countries and has among its members the Palestine Liberation Organization (PLO).

NAVY TO PARTICIPATE IN 'UNITAS XXVI' EXERCISES

PY020333 Madrid EFE in Spanish 2322 GMT 1 Aug 85

[Text] Montevideo, 1 Aug (EFE) -- A Navy spokesman told EFE today that Uruguayan naval units will participate in September in naval exercises with U.S. naval forces. The exercises, named "Unitas XXVI," and which are held every year, will begin on 23 September. It was reported that 180 marines, 8 divers, and some Uruguayan ships will participate. The United States will participate with six ships, three fighter planes, and marines. The main exercise involves a landing in the Potrero inlet, east of Montevideo. The Navy spokesman also reported that the Uruguayan participation is still subject to congressional approval.

PRIVATE HEALTH WORKERS END 19-DAY STRIKE

PY302241 Madrid EFE in Spanish 1615 GMT 30 Jul 85

[Excerpts] Montevideo, 30 Jul (EFE) -- After 19 days of striking, the Uruguayan private health employees decided early today to suspend the strike as employers decided to meet their main demands. The Federation of Uruguayan Health workers on 11 July decreed an indefinite strike in demand of better salaries, 6-hour work days, seniority, and payment for strike days, among other demands. Most of the workers' demands have been met; the employers have agreed to a 25 percent increase, 6-hour work days, and others.

MUNICIPAL WORKERS STAGE 24-HOUR STRIKE

PY020243 Madrid EFE in Spanish 2014 GMT 1 Aug 85

[Text] Montevideo, 1 Aug (EFE) -- Uruguayan municipal workers have begun a 24-hour strike to demand a salary increase and other improvements. Only the most essential services will be performed, such as collecting the garbage from hospitals, providing water to neighborhoods and funeral parlors, and feeding the animals in the zoo. All activities in municipal theaters and other public entertainment places have halted. Workers gathered in front of the town hall today. The Association of Municipal Employees and Workers organized the strike to demand a 4,000-peso salary increase (40 dollars) but the Montevideo mayor announced that the municipal treasury only permits a 2,400 increase per employee. Information assemblies, partial strikes, and marches are planned for tomorrow and next week until the workers reach an agreement with the authorities.

ENERGY MINISTER ANNOUNCES CRUDE OIL PRICE CUTS

PA011806 Hamburg DPA in Spanish 1700 GMT 1 Aug 85

[Text] Caracas, 1 Aug (DPA) -- Venezuela made an overall reduction of $1.78 in the price per barrel of its oil, Venezuelan Energy and Mines Minister Arturo Hernandez Grisanti announced today.

The decision, which was adopted last night and announced at a press conference at noon today, is considerably lower than the predictions that emanated from competent oil sources, according to which the reduction would be $2.00 and $2.50 for each oil unit of 159 liters.

The minister said that the reduction basically affects heavy crude, the largest export product (approximately 700,000 barrels daily), the extra heavy to a lesser proportion, and also the medium crude. The latter was not considered in the framework of the predictions. The average reduction in heavy crude is $2.00 per barrel and some varieties less than $2.00. The minister refused to specify the exact reduction of the latter for commercial strategy reasons, he indicated.

The medium crude, which is related to the Arabian heavy crude, will sustain a reduction of $0.50 per barrel, similar to that agreed by OPEC at the recent meeting held in Geneva. At the same time, the OPEC decreed a reduction of $0.20 per barrel for the so-called Arabian medium crude. The average heavy crude is 27 grades API and the Venezuelan heavy crude is below 20 grades, with some of the extra heavy crude even reaching 10 grades API.

The Venezuelan oil barrel price will now be between $23 and $24, the minister explained. The overall or general rate for the types of oil reduced, including an extensive variety of prices in relation to their qualies, is $1.78 per barrel and the volume affected, according to the programm of exports for the coming 5 months, is 790,000 barrels daily, he added.

The new prices become effective today and in the remaining 153 days of the present year there will be a reduction in revenue of $215 million, according to the minister. He said that since mid-July there have been signs of recovery in exports and that they must await the market trend for the rest of the year to know to what extend Venezuelan revenues will be affected. He stated that last week's figures reflected exports of 1,410,000 barrels per day, a figure that is similar to that of which served to draft the annual income budget, and until last June the average exports were 1,270,000 barrels per day.

CHAMBER OF COMMERCE APPEALS TO COURT ON TARIFFS

PA012322 Panama City LA PRENSA in Spanish 1 Aug 85 p 10-B

[Communique issued by the Chamber of Commerce, Industries, and Agriculture dated 1 August]

[Text] Permanently watchful for a solution of the national problems and having exhausted all means of negotiation with the Finance and Treasury Ministry to obtain reconsideration of enforcement of the new customs duties that begin today, 1 August, which negatively effect the county's economic health, the Panamanian Chamber of Commerce, Industries, and Agriculture today filed a suit of unconstitutionality against the measures that the national government has adopted regarding this subject.

It must be noted that in 1983, the Structural Adjustment Agreement, SAL I, agreed on with the World Bank, imposed on the national government substitution of import quotas for new tariffs, a situation utilized by the government to increase by at least 20 percent ad valorem all tariffs for the sole purpose of obtaining additional revenues for the National Treasury. This measure caused a general increase in the cost of imported products.

In 1985, the draft of the SAL II, negotiated with the World Bank, recommends that "our current schedule of customs duties be adapted to the nomenclature of the Brussels Cooperation Council." In reality this should only involve a reclassification of "names" and a normalization of the classification of imported merchandise without any increase in tariffs. Nevertheless, once again the national government, using the World Bank's recommendation, has changed the tax base of the tariff from FOB [Free on Board] to CIF [Cost, Insurance, and Freight]. The government initially argued that this measure was to control contraband, but in reality it seeks to collect an additional $12 million a year, as the finance and treasury minister has admitted.

As happened in 1983, the new tariff measures will increase the cost of all imported products and hurt the consumer, especially those with low incomes. These additional taxes indicate costs that cannot be absorbed because of the constant increase in other taxes.

In view of the above, we clearly see that insistence on beginning this change 1 August is due to the desire to collect more taxes. This measure is clearly hasty. It is hasty to the point that the new forms are not ready, the customs brokers are not yet familiarized with the new classification, and the affected sectors have not been duly consulted about the new tariff as stipulated in Cabinet Resolution No 378 of 3 October 1984. The commitment with the World Bank indicated that the change in the nomenclature of the tariff system would begin on 1 January 1986 and the national government assured the affected sectors that these changes would not involve tax increases.

In view of the aforementioned circumstances, we have had to examine the constitutionality of these measures. We have reached the conclusion that they violate several parts of our Constitution, since the executive branch has usurped functions that belong to the legislative branch. As a result, we have requested that the honorable Supreme Court of Justice declare unconstitutional the resolutions and executive decrees that establish the new fiscal measures that we condemn, so our legal and constitutional norms will effectively prevail.

Board of Directors of the Panamanian Chamber of Commerce, Industries and Agriculture; Gilbert Mallol, president; 1 August 1985

COSTA RICA

GOVERNMENT REJECTS ORTEGA WARNING ON WAR SOLUTION

PA011355 San Jose Radio Reloj in Spanish 1220 GMT 1 Aug 85

[Text] The warning by Nicaraguan President Daniel Ortega that war is not a solution favorable to Costa Rican or the Nicaraguan people applies to the Sandinist regime and not to the Costa Rican democratic regime. An official communique issued yesterday afternoon by the Presidency reacts in this way to a statement by the commander ruling Nicaragua, and adds that Nicaragua is preparing for war while Costa Rica exercises peace. Costa Rica rejects the war alternative. Costa Rica just wants to live in peace, have respect for its territorial integrity, and the armed aggressions by the Sandinist forces, and avoid, at any cost, the Nicaraguan civil strife being extended to the common border area.

The Costa Rican Government official communique adds that while the war drums are beating in Managua, the Costa Rican people work in peace. Although Costa Rica maintains its policy of neutrality, Nicaragua is conducting a policy of aggression. The Sandinist regime have over 100,000 soldiers, whereas the Costa Rican Civil Guard has only 7,000 men.

Noting that the Sandinists have chosen to follow the arms race's insane path, the communique adds that Costa Rica will adhere to the path of international right as the means to find a political solution to any dispute, and reaffirms its commitment to peace. The communique warns that Nicaragua's policy of aggression will no longer go unpunished. For that reason, the Costa Rican Government has decided to respond to the constant aggressions perpetrated by the Sandinist Armed Forces, and the propaganda escalation against Costa Rica -- of which Nicaraguan President Daniel Ortega is its main exponent -- in all fields. To date, the government has not disclosed any of the measures the State Council agreed to adopt against the Sandinist regime.

MONGE SENDS PROTEST NOTE TO NICARAGUA'S ORTEGA

PA011336 Panama City ACAN in Spanish 1206 GMT 1 Aug 85

[Text] San Jose, 31 Jul (ACAN-EFE) -- Costa Rican President Luis Alberto Monge sent a note of protest to Nicaraguan President Daniel Ortega today stating that his recent statements "are interpreted by us as a war threat against our country." In a television program, the Sandinist president said Tuesday that the United States is demanding that Luis Alberto Monge's government "break diplomatic relations with Nicaragua to prepare the path of aggression." The note was read here today to national and international newsmen by Costa Rican Deputy Foreign Minister Gerardo Trejos during a news conference held in the past few hours.

Monge expressed to Daniel Ortega "feelings of our deepest indignation over the reiterated purpose of your government to bring to Costa Rica military activities destined to resolve the civil war that is taking place in Nicaragua." In the note, the chief of state of this country referred to the incidents on 6 July when four "push and pull" aircraft of the Sandinist Air Force (FAS) penetrated 10 km into the north Atlantic coastal region of Costa Rica.

"I protest with the same vehemence the affirmation attributed to your excellency that the aircraft that violated Costa Rican territory on that occasion came from our territory," Monge told Ortega.

"Both facts," Monge added, "the violation of the airspace and seeking to hide it, as is attributed to you, are added to the countless aggressions against Costa Rica by the Nicaraguan military forces."

President Monge reminded Daniel Ortega that Costa Rica was unilaterally demilitarized 36 years ago, that it has no army, that it never attacked any neighboring country, and that it has declared peace to the world.

In the same manner, he "urged" him to make an effort so that both nations can maintain cordial relations of friendship "without that peace or neutrality that we have announced to the world being altered by your government's actions."

GUTIERREZ ON 'SERIOUSNESS' OF NICARAGUA ISSUE

PA012002 San Jose Radio Impacto in Spanish 1845 GMT 1 Aug 85

[Report by correspondent Gretel Tinoco from the Costa Rican Foreign Ministry -- recorded]

[Text] Costa Rican Foreign Minister Carlos Jose Gutierrez said this morning at the Foreign Ministry that the letter sent by President Luis Alberto Monge to Nicaragua Commander Daniel Ortega reflects the seriousness of the situation that exists between Costa Rica and Nicaragua. Asked about the diplomatic meaning this letter may have, the foreign minister said:

[Begin recording] In a way, this document may be construed as a reflection of the seriousness of the situation. As you know, President Monge (?decided to act) as chairman of the Security Council, which is something that was agreed upon on Monday. He felt that the letter should not be from one Foreign Ministry to the other, considering that President Daniel Ortega has been reporting on Nicargaua's stance. Therefore, Monge felt that he had to clearly state the Costa Rican position. [end recording]

Moreover, the foreign minister stated that currently bilateral talks between Costa Rica and Nicaragua are becoming increasingly difficult. He added that Costa Rica maintains its determination to ask that Nicaragua apologize for the Las Crucitas incidents and for all other incidents that have taken place since that time. Asked about the talks upon which Nicaragua, and especially Nicaraguan Vice President Sergio Ramirez during his visit to Peru, insistently requested, the foreign minister said:

[Begin recording] On Saturday, when the Contadora Group's deputy foreign ministers arrive, I will tell them first about the conditions we have agreed on that represent Costa Rica's conditions for holding the talks, and about what happened last Friday in Barra del Colorado. I will certainly warn that with attacks such as the one on Friday, they will not force us to go to the negotiating table.

Unless Costa Rica's conditions are met, we will not sit down at the negotiation table with Nicaragua. [Words indistinct] which I feel the Contadora Group may make the proposals it deems appropriate, as mediator (?of the Central American dispute), but we are not going to hold talks with Nicaragua unless the conditions we have already demanded and others that may be added before Saturday are met. [end recording]

According to Foreign Minister Carlos Jose Gutierrez, Costa Rica's stance regarding the Las Crucitas incident was reinforced when an OAS Intelligence Committee issued a report corroborating the report issued by the OAS investigating committee.

MONGE, GUTIERREZ DEFINE NICARAGUAN STRATEGY

PA010326 San Jose LA REPUBLICA in Spanish 26 Jul 85 p 3

[Text] Yesterday, President Luis Alberto Monge and Foreign Minister Carlos J. Gutierrez held a long meeting in Pozos de Santa Ana to define the strategy to be followed regarding Nicaragua. Several meetings of interest to Costa Rica and Nicaragua will take place in the next few days. One of them is the informal meeting in Lima, Peru, of various Latin American foreign ministers. Foreign Minister Gutierrez will leave today to attend that meeting, as well as President Garcia's inauguration. There will also be a meeting of the deputy foreign ministers of the Contadora Group in San Jose, and there is a possibility of a meeting between Costa Rican and Nicaraguan officials within the Contadora Group framework in Panama City.

In general, Monge and the foreign minister approved the following guidelines:

1. Costa Rica maintains its position that agreements between the two countries should be reached within the framework of the Contadora Group.

2. There will be no meeting of officials from Costa Rica and Nicaragua unless Nicaragua apologizes to Costa Rica for the 31 May Las Crucitas incident.

3. Costa Rica accepts in its entirety the portion of the "Pacification Act" that deals with security, since it does not have an army, or weaponry, or military advisers in the country. The Americans who were in Murcielago trained the Civil Guard only in police matters.

4. At the regional level, Costa Rica maintains the viewpoints contained in the document that it presented in conjunction with Honduras and El Salvador to the Contadora Group 4 months ago.

5. Costa Rica rejects Nicaragua's charges that counterrevolutionary groups are operating from Costa Rica, as Nicaragua continues to claim in its notes of protest.

6. President Monge does not intend to meet with President Ortega, either now or anytime in the next few months.

7. Costa Rica opposes any discussion of the Central American conflict at the United Nations, as it considers the OAS to be the appropriate forum.

U.S.-TRAINED TROOPS SENT TO NICARAGUA BORDER

PA020027 Buenos Aires REUTER in Spanish 2355 GMT 1 Aug 85

[Excerpts] San Jose, 1 Aug (REUTER) -- The Costa Rican Security Ministry reported today that a battalion of troops trained by U.S. advisers has been sent to guard the explosive Nicaraguan border. Relations between the two countries were on the verge of rupture as Costa Rican and Nicaraguan officials accused each other of provoking war.

On Monday, the Costa Rican National Security Council decided to send the 450-man "Lightning Battalion," the country's first military-style unit, to reinforce the border against alleged overflights into Costa Rican territory last week by Nicaraguan planes.

The council also decided to ask friendly nations, including the United States and three Contadora Group countries for antiaircraft weapons to repel new Nicaraguan attacks. High-ranking government authorities have reported that today the Costa Rican Government was studying other measures against Nicaragua, among them, breaking diplomatic relations.

COL VIDAL ON SECURITY, 26 JULY EPS OVERFLIGHT

PA311806 San Jose Radio Impacto in Spanish 1240 GMT 31 Jul 85

[Text] Colonel Oscar Vidal, general director of the police force, told the "Impacto" newscast that he cannot give detailed reports on the issues discussed at the Security Council meeting until a private meeting is held by the Council with President Luis Alberto Monge. The Security Council is formed by Public Security Minister Benjamin Piza Carranza, Government Minister Enrique Obregon, and Vice President Armando Arauz Aguilar, council coordinator. The other participants are Foreign Minister Carlos Jose Gutierrez, Justice Minister Hugo Alfonso Munoz, Presidency Minister Danilo Jimenez Veiga, and Colonel Sergio Fernandez, director of national security.

The main issue discussed was the incident that took place last Friday when at several Sandinist People's Army [EPS] airplanes violated our national airspace at noon. During the incident our authorities opened fire on the airplanes as we warned we would do some months ago when the Las Crucitas incident occurred. During the Las Crucitas incident, two civil guardsmen were killed by EPS forces from Nicaragua. At that time it was said that Costa Rica would no longer tolerate these violations. This was demonstrated last Friday when our Civil Guard fired at the airplanes, apparently downing one of them.

Meanwhile, Col Vidal said that today the council will present the report on last Friday's incident in Barra del Colorado to President Monge. However, Vidal told the "Impacto" newscast that the situation is very delicate because violations of our national sovereignty continue. While the north Pacific region is at peace, the north Atlantic region continues to report the overflights by Sandinist Air Force airplanes and helicopters, said Vidal. The intense attacks and clashes in the southern part of Nicaragua are heard constantly and this endangers our security. For the most party, these clashes take place in the vicinity of Boca de Sarapiqui, near the mouth of the San Juan River where the Sandinist Air Force regularly attacks our positions, said the director of the policy forces. At this time, we are not going to be on the defensive, but on the offensive when these airplanes enter our territory.

[Begin recording] We have [word indistinct] to attain these objectives, but the airplanes land in Costa Rican territory. This happens constantly. However, when they are within the reach of our positions, our men have instructions to fire at them. We have defensive positions. We are on the defensive, but have instructions to take the initiative in situations in which Costa Rican territory is violated. [end recording]

Vidal added that the airplane allegedly downed by Costa Rican forces has not yet been found due to weather problems. We do not dare affirm that this incident took place until the security minister has proof. Thus far, we only have the statements by area residents who say that one of the airplanes left a large trail of smoke and later an explosion was heard in the vicinity of El Tortuguero. The Security Ministry said that Costa Rica's arms are not of heavy caliber, but that the airplanes were within the reach of the anitaircraft weapons, which turned out to be effective. Meanwhile, the Security Ministry has connections with various countries and can request their aid, to which Col Vidal added:

[Begin recording] I assume that now that Costa Rica is facing difficulties it will request aid from the countries it has normally supported, such as the United States, Venezuela, Panama, Israel, the FRG, and others with whom we have cordial diplomatic relations and with whom Costa Rica has signed assistance agreements. [end recording]

It is possible that aid will also be requested of South Korea, but these decisions will be adopted by the president today during the council session, Vidal concluded.

EDITORIAL CRITICIZES SECURITY MINISTRY STATEMENTS

PA311255 San Jose LIBERTAD in Spanish 26 Jul-1 Aug 85 p 2

[Editorial: "The CIA Writes Novels and the Colonel Endorses Them"]

[Text] It is more evident to us every day that CIA experts are involved in the drafting of even the most basic propaganda documents that are being prepared in our country against Nicaragua and the revolutionary and democratic movements of Central America. The very clumsiness with which this propaganda is often presented, and the ignorance it reflects of the nature and the traditions of the Costa Rican people reveals that it is conceived and directed by foreign minds.

In LA NACION of 21 and 22 July, one can read the latest brainchild of the technicians to whom we refer. It is evident that they handed a long, elaborate document to the newspapermen in charge of such items at LA NACION. The document seeks to renew and strengthen the campaign against the country's leftist forces and against any patriotic trends that might be prevailing in government circles. They need an appropriate climate for unleashing a "democratic persecution" and accelerating the militarization of the country. They believe that by writing and spreading lies they can get the Costa Rican people to change the habits of a tranquil and civilized people and become fertile ground for fascism.

Well, the new document to which we are referring was handed to newspaperman Edgar Fonseca, no doubt with instructions that he make the best possible use of it. It seems to us that it was like asking the newspaperman to climb a barren mountain full of rough black stones, with dry branches, and even scorpions.

The first thing that crossed Fonseca's mind was to convert the hefty tone into a sensational interview. Because of the nature of the material, the person interviewed had to be a personality with military rank. It seemed necessary that it be the Minister of Public Security. However, he probably refused and decided that the victim should be Deputy Minister Colonel Johnny Campos. We have reasons to believe and to know that Johnny Campos, the friend and loyal disciple of [Public Security Director] Angel Edmundo Solano could not have been in agreement with being used to say things he knew to be false, but he did not have the courage to refuse. That is why his report appeared on Sunday 21 Jul in LA NACION.

It is now known why the newspaperman starts Campos' statement with a dictum on espionage. However, it was a completely nonsensical technical statement on "the three sources of espionage." Immediately afterwards, he has Campos say that the national leftists want to finish off our democracy; consequently, it is necessary for the national public forces to be trained -- surely by the leaders of democracy, the Yankee military -- to hand out "democratic blows" right and left. What becomes absurd is that at this point Campos decides to defend the extreme right, as it "does not have an organization that threatens the country's institutions." Understandably, this defense is for the Free Costa Rica Movement. Later, he defends it again. Why? Most likely because newspaperman Fonseca decided it would be better not to annoy Minister Piza, who is one of the top leaders of that movement.

Furthermore, the minister has the hope that that organization -- self-styled the "blue beret organization" without Colonel Campos' knowledge -- will lend its services to the country when the time comes to hand out "democratic clubs."

Fonseca, the reporter, did not understand the authors of the document that he was instructed to use because from the subject of espionage, he goes on to report the existence of 700 Costa Rican communist guerrillas trained in Cuba and Nicaragua who today have been converted into a serious threat to Costa Rican democracy and sovereignty. To blacken the picture, he recalls the story of the weapons that were found in the house of our friend Manuel Mora [secretary general of the Popular Vanguard Party] after a police raid that was repudiated by our courts. However, all of these things were so clumsily excerpted from the Yankee original that there is the immediate need to ask: What did the Costa Rican communists train for in Cuba: to be guerrillas or spies? According to what Fonseca made Campos say, the danger is not that the guerrillas might fire rifles or take over garrisons, but that they might infiltrate official circles and get the Costa Rican Government to resist U.S. occupation policies.

A new concept, so silly that it only serves to make a fool of Campos one more time, appears here. Of course, it is not Campos' idea, but the idea of those who wrote the document. It seems that Colonel Campos has been able to learn -- after intensive investigations, of course -- that the Costa Rican Communist Party "has a security commission." This is where he receives the certainty that the communists believe in military preparation. Therefore, communists must be harnessed, but only the communists and never the paramilitary organizations that may be organized in violation of the law. Listen to me. Here again comes the defense of the Free Costa Rica Movement as if reporter Fonseca, or his pupil Campos, were seeing Minister Piza Escalante's frown. Let's listen to the full paragraph, as Fonseca wrote it: "As for the extreme right, I believe that it is in a more elementary stage, that of shouting or fighting, and at this time it doesn't have an organization that threatens the democratic system."

However, Johnny or Edgar think it's necessary to refer to another extreme rightist organization, the Fatherland and Truth [Patria y Verdad], the one that dynamited the Costa Rican Electricity Institute [ICE] power plants. He also defended it when he said that its leader "has had some kind of terrorist training, but actually, he is not capable of setting up an espionage center." Thus, either Colonel Campos or the Yankee who wrote the original document is insisting that the threat and the reproachable thing is not terrorism but espionage. Is Campos unaware that the Free Costa Rica Movement has already infiltrated and taken over no less than the ministry where he appears to work?

At the end of these Campos declarations is written: "Tomorrow: The Fear That Espionage May Generate Violence." However, LA NACION did not wait for the second report. The following day, 22 July, it wrote its first editorial of the campaign announcing its alarm over the sensationalist accusations by Colonel Campos and demanding that the government and the people take vigorous measures against the fateful leftists.

We were not satisfied with the LA NACION editorial; we searched for the second part of Campos declarations, and we could not find them. Now Sergio Fernandez, chief of the Intelligence and Security Directorate [DIS], comes onto the stage. However, most of what is said there is not Fernandez' statements. It is material extracted from the original document. Nevertheless, Fernandez does indeed made important statements, and reporter Fonseca himself comments on them. Let's see:

"DIS Chief Colonel Sergio Fernandez acknowledged what is happening and placed it in the context of what he calls an increase in evils such as weapons, drugs, and now espionage.

Despite this, he doesn't think that this is an alarming situation. "Explaining why he does not find the situation so alarming, he said that those who are involved in this activity are not conspiring against the Costa Rican system. He pointed out that they attribute more importance to other nations." [quotation marks as published]

Is there a discrepancy between Colonel Sergio Fernandez and the Free Costa Rica Movement, and the person who wrote the LA NACION editorial?

CENTRAL BANK DEVALUES CURRENCY BY 25 CENTS

PA020325 San Jose Radio Impact in Spanish 1830 GMT 1 Aug 85

[Text] The Costa Rican Central Bank decreed a new 25-cent devaluation of the colon. As of today, the current value of the colon is 50.85 [to the dollar], purchasing price, and 51.10 selling price. The devaluation that went into effect today is the 11th this year, and is part of a program of mini-devaluations being implanted by that institution.

NICARAGUA'S PASTORA ACCUSED OF HOSTILE ACTIVITIES

PA011951 Panama City ACAN in Spanish 1806 GMT 1 Aug 85

[Excerpt] San Jose, 1 Aug (ACAN-EFE) -- Guerrilla Commander Eden Pastora Gomez has been accused in Costa Rica of crimes of hostile actions against that country and violations of its civil aviation laws. This accusation was made by the San Carlos Fiscal Agency at the Court of Arraignment in Ciudad Quesada, capital of this canton 150 km north of San Jose. The accusation was based upon reports from the Rural Guard (GAR) Services Department, which investigated everything related to the accidental crash of the helicopter in which Pastora Gomez was travelling last week in Pital de San Carlos.

According to the GAR report, witnesses saw Pastora, known as Commander, "Cero," and his two companions being driven to Ciudad Quesada in an automobile after the accident of 23 July. A source from the Court of Arraignment in Ciudad Quesada told ACAN-EFE today that the accusation also involves Pastora Gomez's companions who, nevertheless, "have not been identified." Spokesmen in San Jose for the Democratic Revolutionary Alliance (ARDE) led by Pastora have identified his two companions as Miguel Mendes (Marcos), the pilot of the helicopter, and another individual known as "El Turco."

EL SALVADOR

ARMY CONFISCATES WAR MATERIAL IN CHALATENANGO

PA010350 San Salvador EL DIARIO DE HOY in Spanish 31 Jul 85 pp 2, 35

[Text] The Salvadoran Army dismantled a terrorist gunsmith shop at Los Naranjos, Ojos de Agua jurisdiction, in the north of Chalatenango. The material found includes 10 G-3 rifles, a FAL rifle, an M-1 carbine, a Czechoslovak rifle, 10 spare barrels for rifles of various calibers, 3 G-3 bolts, explosive cartridges, TNT, tools for the manufacture of homemade weapons, and a large quantity of ammunition. Troops of the Belloso Battalion participated in this operation.

It has also been reported that the 3d Infantry Brigade found a cache near Las Marias, Chinameca jurisdiction.

The cache contained an AR-15 rifle, 26 Soviet-made grenades, 23 grenade firing pins, 3 grenades for an M-79 launcher, and ammunition. The Belloso Battalion clashed with terrorists while patrolling La Burrera Hill in Las Vueltas, Chalatenango Department. The Battalion also found three vehicles that had been stolen from local residents.

Military engineering troops clashed with terrorists and forced them to flee while patrolling Piedra Grande Arriba Canton in La Paz. An M-16 rifle and ammunition were found. The Army has reported that a soldier was killed and six were wounded during a clash with terrorists while crossing the Torola River north of Morazan.

ARMY PROMOTIONS, CHANGES OF COMMAND ANNOUNCED

PA012126 San Salvador Radio Cadena Sonora in Spanish 1530 GMT 1 Aug 85

[Alberto Barrera report]

[Text] Armed Forces spokesmen have reported on the various changes contained in an order issued yesterday. These include Colonel Augusto Maravilla, who has been appointed chief of Department No 4, Logistics, of the Armed Forces Joint General Staff. He was chief of Detachment No 4 in San Franciscl Gotera, Morazan. Colonel Mauricio Ernesto Vargas has been appointed to replace him in that position. Until yesterday he was commander of the Atonal Battalion. Colonel Oscar Carranza has been appointed commander of the Atonal Battalion.

The order also contains several promotions, including that of Major Carlos Armando Aviles, who has been promoted, as of today, to lieutenant colonel. He is the chief of the Armed Forces Presss Committee and will continue to serve in that capacity. Lieutenant Colonel Benjamin Ramos has been promoted, as of today, to the rank of colonel. He is the commander of Detachment No 1, according to the latest orders issued by the Salvadoran Armed Forces.

FMLN ISSUES COMMUNIQUE ON WEINBERGER REMARKS

PA020302 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 2 Aug 85

[Communique issued by the FMLN General Command on 1 August, place not given -- read by announcer]

[Text] In view of the statements made by Caspar Weinberger and other spokesmen for President Reagan's administration regarding alleged blows dealt to our forces' command that carried out the operation during which the U.S. military advisers and members of the Central Intelligence Agency were executed, the FMLN General Command states:

1. There is no truth to the statement regarding the arrest or death in combat of a member of that command.

2. There is no truth to the statement that the Army inflicted 21 deaths and dealt an important military blow on any of our organizations, much less since the so-called special operations, with the support of the U.S. intelligence service, began.

3. It is quite possible that misinformed Mr Weinberger was referring to the six casualties suffered by our front in north San Miguel on 26 June, that is, more than a month ago, when Companera Commander Arlene, political leader for the Revolutionary Party of Central American Workers [PRTC] in that area, fell with other combatants.

Regarding this, we wish to underscore that none of those who fell on 27 June were involved with the operation carried out in San Salvador and their deaths were not the result of any special operation by the Army but from clashes that occurred when the Army was patrolling the area. During those clashes, and in accordance with our attrition plans, our forces inflicted 19 Army casualties.

4. It is ridiculous that Mr Weinberger and White House spokesmen should make such a fuss over a development of this nature, initially played down by the Salvadoran Army itself because it was unable to confirm that our casualties included a middle-leadership commander in one of our organizations. It was only after we acknowledged the death in combat of our comrade-in-arms that the Army reported it.

5. The statements issued by the White House and Mr Weinberger are in line with the hysterics and impotent boastfulness of the Reagan administration, intent on continuing to intervene and wage war in El Salvador without directly suffering the consequences of that war.

6. The actions, pressures, and statements issued by Reagan and his spokesmen absolutely do not in any way or at any given time discourage us. We are resolved to maintain our policy of legitimate defense against those who have declared war against us. We reiterate all the ideas set forth in the communique in which we officially claimed responsibility for the Zona Rosa military action during which we directly attacked those who promote the war and wage war against our people.

7. Mr Reagan, Mr Weinberger, and the White House spokesmen must understand that if they are indeed so concerned about the lives of the CIA's advisers and agents sent to murder our people, the best solution is to cease intervention, withdraw from El Salvador, and stop waging war against us because we will never renounce our right to legitimate defense. Our determination to combat them will be firmer if they have decided to step up U.S. intervention in El Salvador.

Revolution or death, we will win.

VENCEREMOS VIEWS BLANDON PRESS CONFERENCE

PA012010 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 1 Aug 85

[Text] Well, at last Blandon opened his mouth. We know it was not easy for him, that he practiced, and that he got everyone running, adding up numbers, and drawing colorful maps. We realize that it was not easy for a man who has been exclusively trained to issue orders. However, something had to be said. Since the war is becoming so political, and it is necessary to reason, explain, debate, and argue, the gorilla did what he could. It was obvious that he was not taught to reason at the military school, but Blandon tried hard. Undoubtedly, something had to be said. The military high command must support the request for $50 million with arguments, and besides, they are harassed by the press. Furthermore, at least with news conferences, an effort must be made to smooth out the differences and quarrels among the military due to the disastrous failure of the military plans, and also because as customary something must be said when the Army's situation is chaotic on the battlefield. Therefore, Blandon had to open his mouth.

We noticed that he was very much on the defensive. Is their situation so bad on the battlefield? It appeared so in the news conference. They are on the defensive with the guerrillas on the roads, with the urban commandoes in the capital, with the war in Santa Ana, and with their collection of casualties during patrol operations. They are on the defensive trying to install local governments -- without any success.

This is how he spoke -- on the defensive. We even feel that this news conference was in response to the FMLN's news conference in Perquin. However, the truth is that above all, Blandon's news conference was a reply, with awkward words and reasoning, to the FMLN's actions. They will always be on the defensive because this is not a war of words. The war will not be won with speeches and counterspeeches. It will be won with actions and not with colorful maps and numbers totalled in their favor.

Precisely, our actions are the fundamental expression of our line of action and of our thoughts, and these actions are carried out before the eyes of the people. The people already know our actions; therefore, we do not need to explain them. However, the good part about analyzing Blandon's news conference is that he himself opened his mouth to show that the Armed Forces gorrillas are in water up to their necks. Let us analyze his speech in a logical manner.

Blandon supported his words with numbers, maps, colorful curves, statistics, and so on. In other words, his arguments were based on paper, and on paper alone. His arguments were numbers written on paper. As we said, this is not the way to win the war. It is won with facts and not with paper stories. The problem with the paper arguments and colorful maps is that they cannot withstand concrete facts. For example, how can they explain the fact that the war has expanded to the west? How can they explain the fact that they cannot prevent the transportation stoppages? How can they explain the fact that they cannot prevent the sabotage of their main export products and electricity? How can they explain the fact that they cannot prevent the destabilization of local governments? What do they say about the fact that our activity has reached their own rearguard and that our urban commandoes are active in the capital itself? We are not going to draw a colorful picture showing the Pan-American Highway, the Northern Trunk Highway, or the Coastal Highway without any traffic to show that we are on the roads. Everyone knows about our stoppages. Everyone knows about the blackouts. All of the people know about our actions in El Picacho and Santa Ana, and about the gringos killed in the capital. Anyone with an average intelligence can see and comprehend without having to look at maps or numbers that the war advances and that the FMLN is the one on the offensive.

General Blandon presented his numbers and maps; however, if someone told him: Look general, we do not believe in your numbers and maps. We want facts. What would he present? Where are the facts? Numbers are good only when they can be supported by facts. We must admit that Blandon made an effort, but we cannot (?accept) arguments like these from semi-intelligent beings. Listen to this carefully. Blandon said that from 1983 to 1984 the High Command never admitted that they had a large number of casualties and POW's, or that they were losing a large quantity of weapons. However, today, as if to prove that they are still alive, Gen Blandon said: You may notice that they are not capturing as many POW's or seizing as many weapons as they did in 1983 or 1984. During that phase of the war, we did not use words to show that we were defeating them. We moved forward and they were losing ground. They had to change their defense minister; we captured their deputy defense minister. We seized thousands of weapons and POW's, and they had to change their strategic plans not to defeat us, but to survive.

U.S. intervention increased. They are now admitting the things they vehemently denied in the past. They are admitting these things by saying: We are [word indistinct]. As you can see, they are not killing as many of us as before; we are still alive.

The sad part for Blandon and the rest of gorillas in the High Command is that this is not a static war; this is a war of attrition on both sides. Which side is fighting better? The reality and facts show that the FMLN is winning this war of attrition.

Even if we admitted the casualty figures reported by Vides Casanova in his report -- which we all know are not real -- it is clear that the best results are for the FMLN, and that the figures show a catastrophic situation for an army waging an attrition war.

In order to deal with this catastrophic situation, what they have done is like making their troops dance to dodge bullets in order not to sustain a high number of casualties. However, the problem is that the FMLN has mixed the areas where the Army patrols must pass, the guerrillas appear unexpectedly, and they go crazy in a mortal patrol dance. We will not give them numbers. They can ask their soldiers, they can ask the Armed Forces Recovery Center, they can inquire at the new Armed Forces funeral parlor, they can ask their ladies committees for the crippled soldiers, or they can ask Colonel Maravilla or Cononel Ochoa between drinks. How do you stand on casualties, colonels?

The more than 900 revolutionary mines that have caused a substantial number of casualties are a concrete reality. We are interfering with the dance of the troops participating in patrol operations and we are also carrying out devastating actions in their own rearguard. Now the war is in the cities, too. The advance of the war and of the FMLN can be seen and felt. The war was previously in Perquin, in Arcatao, many kilometers away from the capital. At that time the puppet troops were there, and we fought against them there. At that time we were not large or powerful enough to wage the war everywhere. Today, the war is in Santa Ana, San Miguel, El Picacho, Zona Rosa, on the roads all over the country. Previously, Gen Garcia said that the puppet armies were everywhere, and that the guerrillas could not push them out. Well, now the military commanders of the Duartist Army proudly say that they can go any place they want. Isn't this a disastrous setback? Controlling a place is not the same as being able to go there. We were able to go to the Zona Rosa, but that does not mean we have control over San Salvador. The day the high commanders admit that they cannot go anywhere they want, they will be totally lost.

Another typical example of half-baked reasoning has been widely used lately, and Gen Blandon is no exception. They used to say that they had us circled in the mountains, that they were defeating us, because we could not operate in the cities. Now, when the FMLN advances to the cities, they say that it is because we cannot operate in the mountains. This is gross stupidity. This is the kind of reasoning they use when they have to say something. The day will come when they will be in Guatemala and Miami, and then too, they will have to say something, just like the gringos must say something when their defeat in Vietnam is mentioned.

The FMLN advances toward the cities, because the generals, pilots, officers are in the cities. They no longer go to the mountains, except of course, in helicopters and A-37 planes. They call the war in the cities terror. We believe them. They are full of terror, cowardice, panic, when the war reaches the city doors.

Gen Blandon and the high command insist that we do not have the people's support. However, the facts show that the high command is increasingly directing its war against the people. It carries out airborne operations over hospitals, surrounds workplaces, arrests union leaders, attacks the university, and shouts that the FMLN guerrillas have infiltrated everywhere. Why are they afraid of the people? Why do they see the people as their enemy? They themselves have said that we are everywhere; they have admitted that we have taken the war from the border pockets [bolsones fronterizos] right up to Vides Casanova's bed. Then, how can they say that we are not growing and that we do not have the people's support? Why do they need an additional $50 million in aid this year if, according to Blandon's figures and little maps, they are winning the war?

Among other things, our amusing and tragic Gen Blandon used concise phrases. For example, he said that urban warfare does not fit in with the revolutionary strategy. But, Gen Blandon, who told you that you knew anything about revolution? We do not need your advice. We are not going to ask your advice on dictatorships, torture, beheadings, rapes -- the only subjects on which you are an expert.

Incidentally, Blandon had fun talking about human rights. We are not going to repeat his lies. We will only recall Blandon's silence when asked how many death squads had been captured. He could not answer; he had to remain silent.

We do want to remind Blandon that terrorism is not taking justice into your own hands, as was the case with the execution of U.S. Marines at the Zona Rosa. Terrorism is something different, about which Blandon, Lopez Huila, and other gorillas know a lot. War in the cities is not terrorism, most particularly if the actions are against the invading Yankees, or against murderers like Gen Blandon himself. Haven't you thought about the feelings of the Santa Ana residents -- and their relatives -- that you captured, tortured, raped, and beheaded at the 2d Brigade headquarters when you, Gen Blandon, were the commander of the National Police Special Investigations Section? That is terrorism. Having murderers like you pay for their crimes is giving justice to the people.

We can see why you are terrified by the FMLN's progress because we know that you are a coward. We also understand why during your news conference, despite your colorful maps, you were only able to show your inability to reason, to think. After all, you only learned to obey Yankee orders at the miltiary school; and this is a political war. Our people are alert. They are preparing themselves politically, ideologically, and militarily. Thus, the gorillas are in trouble whenever they have to speak.

GUATEMALA

GOVERNMENT APPROVES GASOLINE PRICE INCREASE

PA010417 Guatemala City Cadena de Emisoras Unidas in Spanish 2350 GMT 31 Jul 85

[Text] The Guatemalan Government has set the price of gasoline at 3.10 quetzales for super and 2.90 quetzales for regular, effective 1 August 1985, that is,in the next few hours throughout the country. The government had no alternative than to approve the gasoline price increase, to counteract the inflationary expense of exchanging quetzales for dollars. Guatemala is paying 3 quetzales per dollar on oil invoices.

Alejandro Contreras Bonilla, energy and mines minister, said that if the gasoline price increase had not been approved, it could have caused an inflationary disaster to our economy in general, due mainly to our inability to buy fuel, which is absolutely necessary to our country's life. The gasoline price increase is a necessary and unpostponable emergency measure in view of the country's economic crisis. In other words, the price increase of the two types of gasoline is just the first step. Additional price increases of gasoline may continue.

Meanwhile, Minister Contreras Bonilla told reporters that the supply of fuel, although not at the ideal level, can be sufficient if we are prudent in our normal consumption of gasoline. Special measures have been implemented such as the inspection of service stations tanks so that there is no shortage of gasoline. The truth is that we do not know what to do if we run out of gasoline as a result of the current gasoline psychosis, which is making car owners fill up their car tanks.

HONDURAS

WORKERS, PEASANTS DISSATISFIED WITH AGREEMENT

PA010439 San Pedro Sula TIEMPO in Spanish 31 Jul 85 p 3

[Excerpts] Tegucigalpa -- Organized workers will demand compliance with the agreement signed with political and military leaders to end the political crisis, particularly with regard to their participation in the government's development plans, even if this means staging a general strike, it was reported yesterday. During a press conference called to report on the outcome of workshop on social-oriented concerns it was reported that the United Federation of Honduran Workers (FUTH) has joined the worker-peasant block that participated in the dialogue. The workshop held last week with central trade unions, corporations, peasant and worker cooperatives, foundations, and social organizations was sponsored by the German Friedrich Ebert Foundation, the Economy Secretariat, and the Graduate School of Economics of the Autonomous University. The workshop's final document reported the creation of a technical committee to assist the worker-peasant commission in its efforts to ensure compliance with Article 7 of the agreement signed 20 May to end the institutional crisis that was sweeping through Honduras.

The names of the members of the new committee were released during the news conference. They include: Victor Artiles, secretary general of the Honduran Workers Confederation (CTH); Alfredo Castillo, secretary general of the Trade Union Federation of Honduran Workers (Fesitranh); Alfredo Castillo and Victor Peralta of the National Peasant Union, and Efrain Diaz Galeas of the Federation of Honduran Agrarian Reform Cooperatives (Fecorah). Bejjamin Castro of the Honduran Cooperatives Federation; Luciano Barrera of the National Central of Farm Workers, and Hector Hernandez of the FUTH were also there.

The workshop's recommendations, read by Orlando Iriate, include the "creation of the social sector and the organization of a nationwide leadership that will represent and coordinate its activities." They propose "the maintenance and strengthening of relations with the private and public sectors to establish a complementary relationship, define mechanism for the appropriation of technical resources, and maintain and coordinate training." They also recommend moving toward diversification to include more profitable productive activities, while moving away from traditional activities and production of raw materials. The final document enunciates the creation of the committee, "which should be regarded as a technical support body for the workers-peasant commission, created to oversee compliance with the Agreement of Commitment signed on 20 May in connection with the development of socially-oriented concerns and the reorganization of the social sector." The final resolution discusses Article 7 of the agreement between the workers-peasants alliance, and the Armed Forces, and political leaders, which contains provisions for participation in "the construction of a democratic, pluralist, and participative society."

NICARAGUA

ORTEGA INTERVIEWED ON RELATIONS WITH COSTA RICA

PA270410 San Jose RUMBO CENTROAMERICANO in Spanish 18-24 Jul 85 pp 13, 14, 15

[Interview with President Daniel Ortega Saavedra by Antonio Alexandre Garcia, Costa Rican Television Channel 6 news director, at the Case de Sandino convention center in Managua — date not given; all quotation marks as published]

[Text] [Garcia] Nicaragua is currently the most militarized country in Central America.

Don't you believe that you are now becoming a threat to your neighbors?

[Ortega] "Nicaragua is the most threatened country in Central America, the most threatened country in Latin America, and I would say that it is the most threatened country in the world, because no other nation is being threatened so much by one such as the United States, which discusses in its Congress the financing of the war against Nicaragua.

"If we are going to talk about militarization in Central America, the United States has militarized El Salvador. It has also militarized Honduras with U.S. troops, bases, and maneuvers, to the extent that it has become the most powerful country in this sector. It is now trying to do the same thing in Costa Rica; it is trying to organize an army in Costa Rica, and is exerting itself in this direction. We have done nothing in Nicaragua, except to create an army to defend ourselves."

[Garcia] One of the main problems concerning internatinal politics, and concerning Nicaragua refers to the ideological turn the country has taken. Are you communists or do you want to bring communism to the country?

[Ortega] "Communism is a term which has been used in many ways. For example, Somoza used it to defend his dictatorship, and now the United States, is using it to destroy the Sandinist revolution. We are Sandinists and Sandinism is a creation of the Nicaraguan people. It is a historical and social phenomenon, characteristic of Nicaragua, which has played an outstanding role in our history. We have only retaken Sandino's ideals, which are nationalist, and expressed them through a nonaligned policy that defends an internal regime of mixed economy and political pluralism."

[Garcia] But the counterrevolutionaries also say that they are the Sandinists.

[Ortega] "I do not know any Sandinist counterrevolutionary. If they were Sandinists, they would be here struggling with the Nicaraguan people against the United States -- because Sandino was characterized by his struggle against the U.S. intervention -- and they would not be on the interventionists' side."

[Garcia] Let us talk a bit about Costa Rica-Nicaraguan relations. Why does Nicaragua have such an aggressive attitude toward Costa Rica? Could it be that you have forgotten about the events of 1978 and 1979, during which you achieved the victory against Anastasio Somoza thanks to the Costa Rican people? Does this not represent a moral debt to Costa Rica?

[Ortega] "I think we have a moral debt to the Costa Rican people dating back to the last century, when we withstood the first Yankee intervention and defeated it with the help given by that nation's people. We also received these people's solidarity in the struggle against Somoza. We recognize this and thank the Costa Rican people. Our postion is to reject the U.S. policy that wants to turn Costa Rica into an instrument of aggression against Nicaragua. The U.S. Government has occupied Costa Rican territory, particularly in the Nicaraguan border region, where it has posted its mercenary forces. It has posted criminals, people who attack and murder women, children, and old people, and has jeopardized Costa Rica's neutrality."

[Garcia] Nicaragua's aggressive attitude can be sensed even in you when you say it is a lie that Costa Rica does not have an army.

Why does Commander Tomas Borge issue such offensive statements against the Costa Rican people? He says we are U.S. Government puppets and that we openly support the counterrevolution.

[Ortega] "We have actually said that we support the Costa Rican Government's neutrality, and that some Costa Rican officials have been bribed and become involved in the support to the mercenary forces. We are not the only ones stating this because a group of mercenaries was captured by Costa Rican officials, and their statements were recently published. We believe it is Costa Rica's purview to decide whether it has an army or not. We only point out the fact that thousands of persons in Costa Rica are organized in something called the Civil Guard or the Rural Guard, which has weapons, and the United States is supplying more and more weapons. It has eventually become an army, of a civilian character or whatever you may want to call it, but it is an army anyway, and it is being trained in military tactics by the U.S. Army."

[Garcia] That is what Commander Borge says. One of the last letters sent by the Costa Rican foreign minister to his Nicaraguan counterpart protests the statements issued by Borge, in which he clearly asserts that "elements opposing the Nicaraguan Government, members of the Nicaraguan Democratic Force (FDN) and the Democratic Revolutionary Alliance (ARDE), are concentrated in Penas Blancas with the Monge administration's consent...."

[Ortega] "I do not know where the Costa Rican foreign minister read these statements..."

[Garcia] We heard that. We even heard the Interior Minister's statements via satellite news, and he said that the Monge administration supports the counterrevolution.

[Ortega] "We have pointed out that some people within the administration support these activities."

[Garcia] Then you deny it has been said that the counterrevolutionary forces are acting with the consent of Monge's government?

[Ortega] "We have been very clear in demonstrating our respect for the administration. We believe it defends a policy of neutrality, but that there are people who do not respect it."

[Garcia] In the past 3 years there have been nearly 100 border incidents between Costa Rica and Nicaragua, and many of them concern Sandinist attacks on Costa Rican territory and the violation of its airspace. Why this aggressive attitude toward an unarmed country?

[Ortega] "The aggressive attitude has not been by Nicaragua against Costa Rica. If we were to count the dead, we would see that it is Nicaragua that has supplied them. Scores of women, children, and men murdered...."

[Garcia] Yes, but you are at war, not us.

[Ortega] "Yes, but the war comes to us from Costa Rican territory, because the mercenary forces are there. Where are the forces of the Democratic Revolutionary Alliance [ARDE] now that they have been ousted from La Penca? They are in Costa Rica, and it is from there that they continue launching their attacks against Nicaragua."

[Garcia] In the recent case of Las Crucitas, the OAS commission that visited the region was able to approve the report most favorable to Costa Rica and concluded that "statements by members of the attacked Civil Guard patrol and the official Nicaraguan report both concur that on the afternoon of 31 May, troops of the Sandinist People's Army were occupying positions on the Nicaraguan banks of the San Juan River." If the shots came from Nicaragua and its army was there, it must have carried out the attack.

[Ortega] "The story circulated in Costa Rica is that Nicaraguan troops entered Costa Rica, prepared an ambush, and attacked the Civil Guard. That is false, and the report showed it to be so."

[Garcia] The report shows that Sandinist troops who controlled the region opened fire on Costa Rica from their territory.

[Ortega] "Yes, but that does not show that those shots killed the Costa Rican guardsmen."

[Garcia] But they were the only ones there at the time.

[Ortega] "The Costa Rican claim is that an ambush killed them. An investigation would have to determine who carried out the action that killed them, who was there that day in which the Nicaraguan troops were on their territory, who was in Costa Rica in that ambush which, according to the Guard provoked their death."

[Garcia] What about the dozens of times you have invaded Costa Rican airspace?

[Ortega] "We have not invaded the Costa Rican airspace."

[Garcia] You have, and you know it.

[Ortega] "We have not invaded Costa Rican airspace. What for?"

[Garcia] To attack the bases of the so-called counterrevolution.

[Ortega] "Oh, then there are bases on Costa Rican territory."

[Garcia] No, no, in Nicaragua.

[Ortega] "Then there is no reason for such attacks. To attack the bases in Nicaragua, we do not need to enter Costa Rican territory."

[Garcia] We have filmed, even one of your own companeros present here, Sandinist planes entering Costa Rican territory to shoot and drop bombs near Lake Nicaragua on a base of the counterrevolution near the mouth of the Sarapiqui, on the other side....

[Ortega] "You do not know the bases of the counterrevolution in Costa Rica?"

[Garcia] No, I do not know them. Not on the Costa Rican side. When they are found, like in the case of the farm owned by North American John Hull, the government arrests them all. There was also the case of "Tito" Chamorro, who was arrested in Costa Rica and expelled.

[Ortega] "I think that was a hasty decision on the part of the Costa Rican Government because when the OAS commission arrived -- when it was pointed out that it was the ARDE people who ambushed the civil guardsmen, and one of the main leaders of ARDE had been arrested -- it would have been logical to have him appear before the commission."

[Garcia] That proves the government does not give permission to ARDE.

[Ortega] "It would have been good to have him talk, to see who had prepared the ambush against the Costa Rican Civil Guard."

[Garcia] You have said that it is false that Costa Rica does not have an army. Do you have proof of this? Where are the tanks, planes, rockets, bombs, helicopters, like those you have received from the USSR?

[Ortega] "The way you are going, you will have them soon."

[Garcia] Where are the nearly 50,000 soldiers Nicaragua actually has?

[Ortega] "You already have nearly 15,000 and at the rate you are going...."

[Garcia] The Civil Guard has 3,000 unarmed men.

[Ortega] No, and at the rate you are going, the United States will soon be sending you planes and helicopters."

[Garcia] Those are dreams. At Las Crucitas, you even humiliated us to the extent of not allowing us to recover the body of a Costa Rican civil guardsman. Why that attitude?

[Ortega] "Who can prove it was us who prevented the recovery?"

[Garcia] The witnesses were there.

[Ortega] "Who were they?"

[Garcia] The press, the civilian police, who tried to recover the body of their slain companero. It is even known that Colonel Calderon, the Sandinist commander in the region, was informed by telephone that the body was going to be recovered.

[Ortega] "There was fighting from the Nicaraguan territory, which is something else. The ARDE groups launched attacks from Costa Rica on the base besieged by the Sandinist forces. We had not reached the base yet. Those there were members of ARDE -- one group on Costa Rican territory and another on Nicaraguan territory."

[Garcia] Only the Civil Guard was present there, and on the Nicaraguan side, Col Calderon said: We have complete control of the post.

[Ortega] "We received information from Costa Rican civil guardsmen. I do not know if this was published in Costa Rica, but at least the press carried it, saying they could not identify who had fired against them."

[Garcia] I am referring to the day on which the body was to be recovered.

[Ortega] "I contacted President Monge and also former President Figueres. I told them I was very concerned about all the publicity the media was giving to the issue trying to make it appear as though Nicaragua was trying to stop them from recovering the bodies [as published]. Therefore, I invited Monge to send members of the Costa Rican Red Cross through Nicaraguan territory so they could recover the body and it could be proven that Nicaragua was not shooting at Costa Rica."

[Garcia] Let us talk about the past, Mr Ortega. Shortly before the victory of July 1979, the OAS approved, based on the trust and promises of the Sandinists, a resolution that practically put an end to the Anastasio Somoza dictatorship because it stated that "the solution to the serious problem corresponds exclusively to the Nicaraguan people," and that a democratic government should be established in Nicaragua, with the participation of the main anti-Somoza groups, that would reflect the free will of the Nicaraguan people, guarantee respect for human rights, and call for free elections as soon as possible that would lead to a democratic government that would guarantee peace, freedom, and justice. It took you over 5 years to call for elections. Don't you think that this mocked the Nicaraguan people and the OAS member countries?

[Ortega] "If we were thinking of opportunism, we would have held elections in the first moments but we did not want to handle it that way. On the contrary, we called for elections in the worst and most difficult moments in which our political enemies could accuse us, as they did in fact. We had economic problems and the war; nevertheless, in clear evidence of democracy the FSLN won the elections."

[Garcia] Let us discuss another part of that resolution: a guarantee to respect the human rights of all Costa Ricans [as published] without exception. The Human Rights Commission of Nicaragua and other humanitarian organizations have charged that there have been cases of torture and harsh treatment of the opponents of this regime. Such is the case of Sofonias Cisneros, president of the Association of Parents of Catholic Schools, who was tortured by Lenin Cerna, director of the State Security Directorate; and the Reverend Prudencio del Jesus Baltodano, who said that the Sandinist commanders cut off his ears; and Pedro Santos Fiallos, who said he was shot eight times but was saved by his neighbors. What is happening? Are you not respecting the human rights as you promised?

[Ortega] "The United States is not respecting human rights. The truth is that the United States has murdered thousands of Nicaraguans. Over 160 children age 12 and under have been murdered. There are over 8,000 persons, including women and the elderly, who have been murdered in this war promoted by the United States. This is a violation of the human rights of the Nicaraguan people."

[Garcia] In this specific case, I am referring to the violations of human rights committed by you.

[Ortega] "Those are lies because no one here is beating or mistreating the people."

[Garcia] What about the minister who even showed his ears that were cut off? And Mr Cisneros, who left the country, and so many other cases that have been brought before the commission? Maybe now you do not believe in that commission, although in 1978 you also presented cases before the commission.

[Ortega] "We have encouraged the commission."

[Garcia] But these are facts before the commission.

[Ortega] "Those are false reports. We have shown that they are false, even at the OAS and at the Inter-American Commission of Human Rights. Many cases have been brought before these organizations where it was admitted that Nicaragua is making efforts to preserve human rights in the country and that there were some situations that were not normal..."

[Garcia] You admit that in some cases human rights are being violated.

[Ortega] "Of course, in a violent situation such as the one prevailing in Nicaragua where the United States is violating the human rights of practically the entire nation well, surely, some abuses might be committed in defending the country but this is not government policy."

[Garcia] Excuse me, but we were talking about the chief of State Security.

[Ortega] "That is completely false. Anyone can come up and say that I personally beat someone..."

[Garcia] These are not one or two charges; there are hundreds.

[Ortega] "This is the first charge that I have heard made against the chief of State Security."

[Garcia] Well, keep it in mind, and see if you can investigate it. Going back to the subject of Costa Rica and Nicaragua, why do you keep an ambassador in Costa Rica who lacks a diplomatic manner and has such a hostile attitude not only against the press but against all Costa Ricans if, after all, you say that the Nicaraguans have a moral debt with Costa Rica for all the aid given in their struggle against Somoza?

[Ortega] "The Costa Rican newsmen are not acting in an objective manner in presenting to the people the expositions of the various parties because if it adopts stands, then it is not reporting in an objective manner."

[Garcia] What would BARRICADA and Radio Sandino do if they followed your advice?

[Ortega] "I think they should follow it. It is the best way to help the diplomatic efforts, the relations between the states, and internal efforts. If we have journalism that only praises us and our mistakes, then it is not good for us; it does not help us to be constructive."

[Garcia] Referring to Ambassador Arguello, I think she is one of the persons who contributes to the poor image Sandinism has in Costa Rica.

[Ortega] "We believe that some Costa Rican news media are not objective. No one wants a war, least of all Nicaragua, because we have withstood a war and continue to withstand a war; we do not want war, we want peace. We do not want to become an element of tension in the region, and if the journalists do not understand this oftentimes they tend to emphasize an image of emnity concerning Nicaragua, and that does not help at all..."

[Garcia] Do you plan on changing your ambassador?

[Ortega] "We will replace her; she has been there for a long time..."

[Garcia] Do you think that the censure against the newspaper LA PRENSA, which has not circulated more than 50 times since 1982, is inconsistent with the proclamations of justice and liberty?

[Ortega] "It is a military censure, not only on LA PRENSA but on all the media. If the aggression ceases there will be no reason for these restrictions; however, you must bear in mind that the United States restricted freedom of the press when it invaded Grenada..."

[Garcia] When will the press censure stop?

[Ortega] "If the aggression ceases and relations between Nicaragua and the United States are normalized, there will be no need for censure."

[Garcia] You talk about the internal war in Nicaragua as if it were an external problem. Why do you not discuss with the Nicaraguan opposition a solution to the war? Why do you see it as a war between Nicaragua and the United States?

[Ortega] "The mercenary forces exist because someone is feeding them, giving them weapons, and we must talk with that one, the United States."

[Garcia] Then you will not talk with the Nicaraguans at war?

[Ortega] "They are only an instrument. You cannot reach an agreement with an instrument, it must be done with whoever is directing everything, and that is the U.S. Government."

[Garcia] More than 10 years ago your brother, Humberto Ortega, killed a civil guard in the jail of Alajuela, Costa Rica, to liberate Carlos Fonseca Amador. Mr Gerardo Jimenez' family is still waiting for the day when you will try to compensate for at least part of the damage.

[Ortega] "We have always been willing to help that family. We understand that the facts did not show if Humberto Ortega had shot the guard; a lot of shots were fired there, and Humberto was also wounded in the arm, and he will bear that damage the rest of his life. That was a really painful event, and we have made every effort to contact the Costa Rican guard's family and try to help them."

[Garcia] It is said that you boycotted the last Contadora Group meeting in Panama City. Is this a sign that you no longer believe in that peace-seeking process?

[Ortega] "We are the only country to accept the document issued on 7 September 1984, and we are still willing to sign it..."

[Garcia] You have proposed the creation of a security zone supervised by foreign representatives in Costa Rica and Nicaragua. Now even Reagan and Gorbachev have a date. When will the summit meeting between Daniel Ortega and Luis Alberto Monge take place?

[Ortega] "We do not want to anticipate anything because we must first talk with the president of Costa Rica. Also, we have constantly proposed a summit meeting between the Central American presidents."

[Garcia] The Costa Rican Government will change within one year.

As far as Nicaragua's foreign policy is concerned, which of the two candidates will allow closer relations between the two countries: Oscar Arias, of the National Liberation, or Rafael Angel Calderon, of the Social Christian Unity?

[Ortega] "We hope that any one of the candidates who wins, according to the Costa Rican people's spirit, will exert himself so that we may continue to seek the formula to normalize our relations and to attain a climate of peace between Costa Rica and Nicaragua."

[Garcia] I would like you to send a message to the Costa Rican people, perhaps not to apologize for your government's negative acts, but to help soften relations between the two countries.

[Ortega] "We must tell the Costa Rican people that we are not and will not become a threat, either for Costa Rican or for any Central American state. We want to achieve peace and are willing to present proposals for establishing a security zone with multinational forces in order to provide tranquillity for Costa Rica. We must tell the Costa Rican people that the Nicaraguan people are grateful for the support that, as Central Americans, Costa Rica has always given Nicaragua; we do not forget that solidarity, which goes back to the last century; and we are sure that the Costa Rican people will continue to side with the Nicaraguan people.

They are two peaceful nations and, if difficult situations have arisen, I think that the U.S. Government is the one who should apologize to the Costa Rican and Nicaraguan people."

DEFENSE MINISTRY ON RECENT CONTRA CASUALTIES

PA011535 Managua Radio Sandino in Spanish 1200 GMT 1 Aug 85

[Report issued by the Defense Ministry on 31 July -- read by announcer; all figures as heard]

[Text] The Sandinist People's Army has inflicted 51 casualties on the counterrevolutionaries in various battles in Jinotega Department from 28 to 30 July.

On 28 July, 13 casualties were inflicted on the enemy in a clash in Cano Yakalwas located west of Wiwili. On 28 July, fighting also took place north of San Jose de Bocay where three mercenaries were killed. On 29 July, the Somozist enemy is fought west of San Jose de Bocay suffering 28 casulaties. On 30 July, our troops clashed with the mercenaries in an area 17 km west of San Jose de Bocay were six mercenaries are killed.

DEFENSE MINISTRY CITED ON FIGHTING IN LA TRINIDAD

PA011645 Managua Domestic Service in Spanish 1602 GMT 1 Aug 85

[Text] Explaining on a report issued this morning by the Defense Ministry, we can report to our people that fighting continues in the area of La Trinidad, Esteli Department, where Sandinist People's Army forces annihilated 11 Somozist counterrevolutionaries and captured 1. This was officially confirmed by the Defense Ministry.

It was also reported that some counterrevolutionaries have been able to get close to basic grain storehouses. According to the official report we have received from the Defense Ministry, the counterrevolutionaries were able to partially damage them.

OBANDO Y BRAVO CRITICIZES 'FALSE PROPHETS'

PA301733 Managua LA PRENSA in Spanish 26 Jul 85 pp 1, 2

[Excerpts] Cardinal Miguel Obando y Bravo, who was joyfully received in Jinotepe Thursday morning, urged Nicaraguan Christians to forgive their enemies and live in harmony with their brothers in order to achieve the desired peace in Nicaragua. Obando y Bravo said that those who do not pardon their enemies are the ones who make it difficult to find the path to peace, stressing that only those who are not Christians and do not believe in God are the ones who refuse to forgive their enemies. He added that instead of abiding by God's law, they follow the law of talion, which demands an eye for an eye and a tooth for a tooth.

In his homily, Obando y Bravo stressed that there are false prophets in Nicaragua who "using all of the power they have do not spare their venom against the church and Pope John Paul II." Obando y Bravo added that those false priests in the country "manipulate the Holy Scriptures to deceive the faithful."

"In addition to attacking our faith, those false prophets who pretend to be religious, including some priests, are trying to divide the church," the cardinal stressed. Obando y Bravo vehemently urged the faithful to pray for peace in Nicaragua. He said: "Pray that there will be no more deaths, terrorism, kidnappings, tortures, hatred, and above all, pray for liberty and respect for human rights."

"Let us pray that when we sing the words of our national anthem (...peace shines beautifully in your land...) we are telling the truth," Obando y Bravo concluded.

CEN NOTES BREAK IN TALKS WITH GOVERNMENT

PA251416 Managua Radio Noticias in Spanish 1200 GMT 24 Jul 85

[Communique issued by the Nicaraguan Episcopal Conference, CEN, in Managua on 23 July]

[Text] The Permanent Commission of the Nicaraguan Episcopal Conference, CEN, reports the following to the Catholic faithful and all men of goodwill:

1. In view of the fact that, despite the bishops' willingness, the meeting between the CEN commission and the commission of the national government scheduled for 17 June could not be held, the continuity of the talks the commissions had been holding regularly since December 1984 has been broken. The CEN will always be available to continue along this path.

2. Since the CEN has noticed that pro-government media have continued disrespecting church authorities, including the holy father, and since certain government authorities have been raising false charges through those media, against Catholic youth groups in particular, charges which may result in harassment and attacks on church persons and institutions, the CEN wishes, on the one hand, to register the fact that those accusations are false and, on the other, to lodge a protest before those responsible for these publications.

3. Regarding attempts by private individuals to provide alleged pastoral guidance to Catholics, the Nicaraguan bishops make it clear once and for all that only the legitimate authority of the Catholic Church can issue guidance to its faithful and that, therefore, no other authority or private citizen can abrogate the right to order or promote activities within the religious sphere.

4. Once more the bishops reiterate that they have been opposed to foreign meddling in our country's affairs (see Pastoral Letter for Reconciliation of 22 April 1984, Chapter II, Point 3) and insist that Nicaraguans look for a solution to the problems being experienced by Nicaragua through the nonviolent and evangelical path of dialogue and reconciliation. In addition, it urges all Catholics to become more united in Christ through prayer and real penitence and to seek the Virgin Mary's maternal help for the church and our homeland.

CEN - Managua, 23 July 1985

Signed: Msgr Bosco Vivas Robelo, auxiliary bishop of Managua and CEN Secretary

PSC PRESIDENT SENDS LETTER TO FATHER D'ESCOTO

PA301638 Managua LA PRENSA in Spanish 27 Jul 85 p 8

[Letter from Agustin Jarquin Anaya, national president of the Social Christian Party, PSC, to Father Miguel D'Escoto; dated in Managua 26 July]

[Text] Minister Miguel D'Escoto, member of the FSLN's Assembly, Monsignor Lescano Church, Managua

Peace in Nicaragua will only be possible when your party returns to the original principles of the Nicaraguan revolution. It is not through agreements with foreign powers that peace will be attained for the long-suffering Nicaraguan people. Instead of imploring the Manzanillo talks, your party should begin a national dialogue that can lead us to reconciliation. Our history is a lesson in this respect.

Regarding your "fast," it was surprising to see you on television bursting with energy and granting interviews after 19 days of "fasting." May I quote what the Holy Scriptures say in this respect in Matthew 6:16. "Moreover, when ye fast be not as the hypocrites, of a sad countenance: for they disfigure their faces that they may appear unto men to fast. Verily I say unto you, when thou fastest, anoint thy head and wash thy face; that thou appear not unto men to fast, but unto thy Father which is in secret; and thy Father which seeth in secret shall reward thee openly."

For our national conciliation.

OPPOSITION LEADER CITED ON REGIONAL PEACE

PA020327 San Jose Radio Impacto in Spanish 1830 GMT 1 Aug 85

[Text] Nicaraguan opposition leader Alfonso Robelo said he was not surprised by Daniel Ortega's statements regarding the recent state of tension between Nicaragua and Costa Rica. In exclusive comments for "Impact News," the opposition leader said:

[Begin recording] I am not surprised by Daniel Ortega's statements. One of the well-noted characteristics of Marxism-Leninism is its expansionism. Thus, I believe that Costa Ricans must realize quite clearly that there will be no peace or stability in Costa Rica if there is communist totalitarianism in Nicaragua. Therefore, to bring peace to Central America, it is necessary for there to be democracy in Nicaragua. Those are two very clear axioms. We are communicating vessels and the Nicaraguan cancer will have a disruptive effect on Costa Rica, regardless of whether Costa Rica practices the neutrality that it indeed practices. [end recording]

REPORTAGE ON 'CONTINENTAL DIALOGUE' ON DEBT

FL010115 [Editorial Report] Havana Television Service in Spanish at 1903 GMT on 31 July broadcasts live the afternoon session of the second day of the Continental Dialogue on Latin America-Caribbean Foreign Debt held at Havana's Palace of Conventions.

At 1907 GMT the chairman of the session, Prime Minister Nigel Barrow of Barbados, opens the session and states that the former president of Venezuela, Wolfgang Larrazabal, will be the first speaker. Larrazabal provides historical data on Simon Bolivar, discusses the lack of Latin American unity and the ability of the United States to take advantage of and contribute to this lack of unity. He says the debt is "terrible, monstrous," and inquires why Latin America, with all its resources, has fallen into debt. He says the debt threatens Latin American democracy.

SELA official Baldomero Luis Hernandez of the Dominican Republic speaks at 1928 GMT. He says debt payments must be compatible with national development. He discusses the role of SELA and the role it should play in the debt problem. He calls for international unity in dealing with the problem.

At 1943 GMT Venezuelan editor Miguel Angel Capriles begins his remarks. He speaks of the increase in petroleum prices, the problems it created, and the use of the increased income to make loans to Latin America. He discusses Venezuelan development, the increase in interest rates, and the resulting bankruptcy. He reads from editorials he wrote years ago on the foreign debt and the need for a moratorium. He says Latin America should call a summit meeting on the debt and invite Fidel Castro, out of simple courtesy. The summit meeting should decide on a debt moratorium, not a position of nonpayment. The moratorium would be used to negotiate matters related to the debt. The camera pans to Castro, showing him applauding Capriles' remarks.

At 2006 GMT Edelberto Torres Rivas, secretary general of the Latin American School of Social Sciences, begins his address. He says no government can suspend debt or interest payments alone because of the repercussions. He provides information per capita debt in Latin America, and speaks of a new international economic order.

At 2017 GMT Michael Manley, former prime minister of Jamaica, begins his remarks by discussing the background of the debt problem. He says that if the terms "unpayable" and "uncollectable" mean a decision to reject the debt, his party must disassociate itself from these terms. He speaks of a coming new crisis described by Peruvian President Garcia's statements on the debt. He says the objective must be to work for a global solution that includes Africa and the rest of the Third World, that the debt burden is intolerable and is the principal block to development, and that the problem is beginning to create social havoc. He says the objective must be an international conference to mobilize debtors, define objectives, and set up an agenda for negotiations with creditor nations. He calls for urgent mobilization of Latin American support for Peru's stance on the debt. At 2040 GMT, the chairman announces a recess until 2110 GMT.

Havana Television Service in Spanish at 2114 GMT on 31 July resumes live coverage of the dialogue. The announcer says this part of the afternoon session will be chaired by Wolfgang Larrazabal.

At 2116 GMT Catholic Brother (Beto) reads a letter addressed to Fidel Castro and the Cuban Government from the archbishop of Sao Paulo, Brazil, expressing his wish that the conference will be a success. The letter says the Latin American peoples cannot pay the debt or the interest on the debt; it says further that the debt problem is political. It stresses the need for a solution to the debt and calls for an end to interference in national economic problems, and a new international economic order. (Beto) says the Bible deals with injustice arising from debt, and cites the biblical forgiving of debts every 7 years. He says the debt must be discussed with all social and political groups. He says Brazil is the world foreign debt champion.

At 2136 GMT Dr Alfonso Lopez Michelsen, former president of Colombia, begins his remarks. He says that no Latin American country can pay its debt. He speaks of U.S. loans made during the thirties and of the failure of all countries except Finland to pay their debts then. He says something similar will happen now. He says no country will pay 50 percent of its debt including interest payments. He says the IMF was not organized to act as a debt collector, and describes the demands of the IMF on debtor nations. He says the United States should be subjected to the same IMF demands. He describes the Hoover and Marshall Plans and says that money now flows into the United States from the poorest countries instead of flowing from the United States to them. He refers to the threat of nuclear war and to the U.S. withdrawal from UNESCO. He says it is necessary to distinguish between Latin American rights and Latin American aspirations. He calls for unity with the Third World and discusses world trade, mentioning the problems of trading with Europe, the problems of the sugar industry, and dumping. He calls for incorporating "eastern nations" into the search for solutions to current problems in all the world forums. He expresses his belief that a new international economic order will be achieved, and ends his speech at 2206.

At 2207 GMT Frances Mitchell, official of the Labor Party of St Lucia, begins her address in English. She expresses her pleasure at being able to attend the Havana debt conference and the prior Nairobi conference. She speaks of the exploitation of women, apartheid, and the degratation of entire peoples. She discusses the problem of Namibia, attacks the United Nations and "imperialism," and attacks the Untied States for "plundering" Grenada. She says the developed countries got rich by exploiting the underdeveloped countries. She says "Cowboy Reagan" is spending billions on "star wars" projects, while the world is going hungry. She says the IMF is a tool of U.S. imperialism. She speaks of the sitaution of women in Grenada, the problem of unemployment in St Lucia, and the persistent threats and the embargo by the United States against Nicaragua that place further burdens on the Nicaraguan Government and Nicaraguan women. Mitchell ends by calling on women to assist in solving the problem and calls for the elimination of existing social structures. She calls for the admission of women to the decisionmaking levels of government to "balance out the greed and avarice of men."

At 2229 GMT Rodney Arismendi, Secretary General of the Uruguayan Communist Party, speaks.

He says the Nicaraguan and Salvadoran victories provoke the fury of President Reagan. He speaks of the imperialist sacking of Latin American countries and refers to the unpayable Uruguayan debt. He speaks of the need for a common combative posture on the payment or nonpayment of the foreign debt. He quotes Lenin on the situation of Latin America and, in effect, blames the United States for the ills of Latin America. He says the foreign debt is unpayable and possibly uncollectible, then insists that the foreign debt cannot be paid. He calls for unity in resisting imperialism.

At 2245 GMT Argentine Catholic priest Antonio Puyani begins his speech by begging pardon for the use made of the Catholic Church in leading peoples to accept submission and exploitation. He says "our beloved brother Fidel" is one of the greatest prophets of Latin America, and quotes "our beloved Comrade Tomas Borge" on revolution in Latin America. He speaks of the "theology of revolution," and expresses his desire to recover that faith, the Christian faith, to struggle so that the church can be freed of structures tha cancel and kill faith. He expresses his faith in prayer and fasting and cites Miguel d'Escoto's fasting, proposing one day of fasting at the end of the convention. The camera shows Fidel Castro standing and applauding.

At 2259 GMT Carlos Osa of Colombia, not further identified, speaks. He examines the possible origins of the debt problem. He refers to the protectionism of developed countries and the need for a new international economic order. He calls for the reform of the IMF and the World Bank. He asks the United States for internal economic reform and calls for austerity in Latin American countries.

At 2307 GMT, Jottin Cury, former foreign minister of the Dominican Republic, begins his speech. He says his country has been impoverished by its system of alternating governments, that most citizens do not have enough income to live on, and that it is a mystery how they keep body and soul together. He says the debt problem cannot be solved by any country acting alone. He praises Castro's recommendations for the solutions of the debt problem, agreeing with Castro that no one can be forced to do the impossible. He says that for the Dominican Republic to pay its debt would be equivalent to suicide, then reviews the mathematics of the debt. He reads a declaration by the Dominican Republic delegation, saying that to pay is to die and providing reasons why the debt should not be paid. The document calls for a new economic order and nonpayment of the debt.

At 2328 GMT, Larrazabal announces the end of the session, stating that Sergio Ramirez, vice president of Nicaragua, will chair tomorrow's session.

Havana Television Service in Spanish at 1306 GMT on 1 August again carries live coverage of the conference. The camera focuses on Fidel Castro as he enters the auditorium. Sergio Ramirez, vice president of Nicaragua, will chair this session.

Leon Roldos Aguilera, former vice president of Ecuador, speaks at 1309 GMT. He states that all the candidates from Ecuador's 1984 elections, or their political parties' representatives are present. Roldos Aguilera says that Latin American countries can only pay their foreign debt by having foreign currency available. He states that the inability to pay the foreign debt is a reality.

Roldos Aguilera suggests a renegotiation of the foreign debt. IMF policies are sharply criticized by the Ecuadoran representative. He says that financial policies have failed in every country the IMF has been in. He also criticizes U.S. economic policies which he says are related to the IMF. Roldos Aguilera calls the IMF and the banking institutions reflections of the United States and even, he says, the CIA. Roldos Aguilera thanks Cuba and Castro for offering the opportunity to attend the meeting and praises Cuba for the good examples it has set for Latin America.

[redacted] GMT Jorge Fernandez Maldonado, former prime minister of Peru begins speaking. He says the [redacted]nomy of Latin America is killing its people and it has to be politically analyzed. The prime minister recalls how the International Bank generously offered loans without any application requirements and with attractive interest rates that were linked to clauses that entrapped Latin American countries. Fernandez Maldonado says that debtor countries are tragically following the road to violence as a solution to the economic problems. The prime minister thanks Michael Manley of Jamaica for his statements on the foreign debt. He also thanks Peruvian President Alan Garcia for his economic policies. He says his country is willing to fight if necessary for its people just as Cuba, Nicaragua, and other Latin America countries have done against imperialism, and he calls the United States the most real and concrete enemy.

Guillermo Torriello, former Guatemalan minister, begins speaking at 1402 GMT. He speaks about the UN Charter that Guatemala signed. He says that Guatemala knew of U.S. interventionist policies and they had their doubts about the United States' intentions. Forty days after the charter was signed, the United States dropped a nuclear bomb over Hiroshima and Nagasaki, he says. Torriello says they were alone against the colossus of the north who was now using nuclear weapons. He recalls how Guatemala accused the United States of a new fascism and of wanting to maintain the underdevelopment of Latin America countries. He says that is imperialists attempt to intervene, they will find their true Waterloo. Stressing that the debt cannot be paid, he says a moratorium should not be called, and a new international economic order should be created. Torriello ends his speech by asking Castro if he can shake his hand and he walks to where Castro is seated. He shakes hands with Castro and receives an embrace.

Carlos Tello, economist, Central Bank director, and former Mexican minister begins speaking at 1418 GMT. He suggests the following:

1. Debtor countries should act together to renegotiate the debt or to suspend the payments. Their strength is unity.

2. Participation of the creditor nations is necessary in negotiations.

3. Types of debts have to be recognized as well as each country's situation. The solutions to different economic situations will vary.

Tello says that the immediate action to be taken should be the postponement, or at least drastic reduction, of the foreign debt for 1 to 3 years. He also says that the movement of capital between countries should be regulated, currency should be stabilized, the debt should be consolidated, and in the future, interest rates should be stabilized and reduced.

Hortensia Bussi de Allende, widow of the former president of Chile, Salvador Allende, begins speaking at 1427 GMT. The audience stands and applauds as she walks to the podium. She recalls how Allende was in favor of the Cuban revolution. Bussi de Allende comments on how Nicaragua is a victim of the U.S. embargo. In Chile the foreign debt could be solved through democracy. Allende wanted unity, she says, and now unity is more important than ever. Bussi de Allende points out that democracy in Chile will not automatically solve economic problems but it is better than a dictatorship. She says Chile wants a solidarity with the rest of Latin America on the problem of the foreign debt. She receives a standing ovation from the audience when she speaks of Allende's death. The camera focuses on Castro as he stands and applauds. She ends speaking by saying: Chile will conquer.

At 1442 GMT Andres Pastrana, from Colombia begins speaking. He says that developing countries have had difficulty finding markets for their products because of high interest rates. He also says that creditor countries are aggravating the situation by refusing to negotiate. To solve the economic crisis, the unequal exchange between countries has to be reduced and industrialized countries have to help. Pastrana concludes speaking at 1455 GMT.

Ramirez calls for a 30-minute recess. The first speaker after the recess will be Juan Bosch of the Dominican Republic. The moderator will be Jorge Fernandez Maldonado, former prime minister of Peru. He then invites the students who are present to a meeting during the recess.

Havana Television Service in Spanish at 1539 GMT on 1 Aug resumes live coverage after a 43-minute recess. Castro can be seen speaking to some of the delegates.

Antonio Navarro Wolf, Colombian April 19 Movement, M-19 member, begins speaking at 1548 GMT from his wheelchair in the auditorium. He warns imperialists to be prepared. Navarro Wolf says that the foreign debt can be solved. He denounces his president for going to Washington and signing agreements with the IMF that surrender control of Colombia to the United States. He says the foreign debt is a domestic, internal problem and should be dealt as such. Navarro Wolf calls for Latin American unity to face the foreign debt and against imperialism.

At 1605 Juan Bosch, former president of the Dominican Republic, begins speaking. He expresses support for Castro's statements on the foreign debt. He calls for a 10-year grace period with no payment on the capital of the foreign debt. Interest payments would be made during those 10 years. Another possibility Bosch suggests is for a 10-year grace period with no captial or interest payments. He concludes by saying that the Dominican Republic is not able to pay its foreign debt under any of the solutions mentioned by Castro.

Patricio Alex, leader of the People's Democratic Movement in Chile, begins speaking at 1620 GMT. Alex says payment of the foreign debt lowers the standard of living of Latin America. He calls for profound changes in addition to not paying the debt. He reviews Chile's 1980 economic policies to reduce the foreign debt, which included a wage freeze and a reduction of public spending. Alex says these policies did not help the Chilean people. Public spending was frozen, but there were enough funds for assassinations. He strongly criticizes the Chilean military and stresses that this will end and that the debt will not be paid.

At 1638 Eduardo Zetti from Argentina, member of the National Council of the Justicialist Party, begins speaking. Zetti calls for an end to the foreign debt and says that the industrialized nations should share the responsibility for this problem. He stresses the importance of the industrialized nations' cooperation. Zetti also says the IMF needs to reconsider its economic role. The Argentine delegate ends his speech by stressing solidarity between the Latin American and Caribbean nations.

Clodomiro Almeida, former minister of Chile, begins speaking at 1655 GMT. Almeida stresses the IMF and International Bank's oppressive policies. He calls the OAS a useless shell and praises the Contadora Group. Without Latin American unity, a solution to the economic problem cannot be found. The Chilean delegate praises Cuba for facing the colossus of the north.

The moderator announces that there will be a meeting of the Christian delegates at 1800 GMT. The Argentine delegation will have a meeting after the presentation of a film on the foreign debt. The session concludes at 1712 GMT.

Havana Television Service in Spanish at 1907 GMT on 1 August resumes live coverage.

The moderator identifies Ecuadoran businessman Rene Bucaram as the first speaker. At 1916 GMT, Rene Bucaram begins his address. He says he believes the debt should be paid and that each country should renegotiate its debt. He reviews the manner in which the debt developed, the manner in which the debt could be renegotiated, and the terms that could be sought.

At 1927 GMT, Enrique Garcia Vazquez, representative of Argentine President Raul Alfonsin, begins his speech. He says it is necessary to determine the causes of the debt to provide a basis for solving the debt problem. He speaks of the Bretton Woods Agreement, the gold standard, and the present international monetary system. He says the Argentine debt was not acquired through the purchase of machinery or other capital goods. He says it is unacceptable for the foreign debt to slow the development of any country. He says Argentina will pay its debt and the interest on its debt. He says the international monetary system should be changed, and that the developed countries must limit their spending and their debts. He makes a call for unity of the Latin America and Carribean countries.

At 1943 GMT Senator Severo Gomez of the Brazilian PNP begins his speech by saying the debt is unpayable and uncollectible. He speaks of the need to join together to negotiate on the foreign debt. He speaks of integrating Latin America and the Caribbean as a means of presenting a common front in the coming confrontation with the creditor nations. He calls for shrewdness, courage, and discretion in the coming confrontation. He says it is necessary to build symmetrical interdependency between Latin Ameri[redacted] to avoid losing sovereignty.

At 1954 GMT Pablo Gomez, secretary general of the Unified Socialist Party of Mexico, begins his speech. He speaks of the U.S. national debt and asks how long it can be allowed to increase; he speaks of decreased exports of capital to debtor nations, and says debtor nations now pay tribute in the form of interest. He speaks of the crisis of the capitalist world and the need for a new international economic order, which, he says, implies the nonpayment of the debt. He calls the debt "unbearable," saying Mexico must use almost all its petroleum exports to pay the interest on its $100 billion debt, and the debt remains undiminished.

At 2007 GMT Pedro Carmona, coordinator of the Andean Pact, begins his speech. He speaks of the situation of the Andean Pact five nations, the growth of their debts, and the per capita indebtedness of these nations. He speaks of the decrease in both imports and exports of these five countries. He refers to the 1983 Quito conference and the basis it established for regional integration. He speaks of the need for Latin American unity and integration. He discusses the reasons for the formation of the Andean group of nations. He says the Andean group is a key part of future Latin American integration, adding that if Latin America does not integrate itself, integration will be imposed from abroad. He calls for unity with courage.

At 2022 GMT Luis Ignacio de Silva, "Lula," president of the Brazilian Workers Party, begins his speech. He speaks of the Brazilian debt and debt payments. He compares the debt payments to the amounts spent on social, health, and educational services in 1985. He says one sixth of the people of Brazil are undernourished. He speaks of 12 million Brazilian children who are undernourished, and of the number of Brazilians who receive less than 1,800 calories daily. He says World War III has already begun and that, in this war which is destroying the Third World, children die instead of soldiers. This is principally a war of the United States against Latin America and all the countries of the Third World, he says. Its principal weapon is interest, which is more fatal than the atomic bomb. He says the debt must be purged, not paid, and that the debt payments must be used to fill empty bellies. He calls for the unity of all Latin America and the entire Third World in combatting the foreign debt. He calls for a national plebiscite in all countries to grant power to the governments to resist the IMF and its demands.

At 2041 GMT Moises Moliero, secretary general of the Venezuelan Movement of the Revolutionary Left, begins his speech by describing the historical origins of the Venezuelan foreign debt, and Venezuela's growing indebtedness. He describes the renegotiation of the Venezuelan debt and says the Latin American debt is unpayable and genocidal. A 30-minute recess is then called, and the transmission ends at 2055 GMT.

Havana Television Service in Spanish at 2146 GMT on 1 August resumes live coverage. The chairman of this second half of the afternoon session is former President Juan Boch of the Dominican Republic. President Bosch says Comrade Julio (Iguillan), secretary general of the Federation of Telephone Workers and Employees of the Argentine Republic (Foetra), will be the first speaker. Bosch then reads a letter from the Uruguayan delegation denouncing the disappearance of Julio Castro at the hands of the Uruguayan military dictatorship. At 2149 GMT, Iguillan begins his speech. He refers to his imprisonment by the former Argentine regime, then briefly covers historical developments dating from the Roman Empire to the present role of the United States as ruler of the seas. He calls for continental political integration and liberation and for the nonpayment of the debt, saying that foreign capital is not needed for the development of the Latin American countries. He says the Foetra supports nonpayment of the debt. He calls for further meetings on the debt problem and for immediate measures ranging from renegotiation to outright repudiation or cancellation of the debt.

At 2206 Sergio Ramirez Mercado, vice president of Nicaragua, begins his speech by praising the holding of the continental dialogue on the foreign debt. He says Nicaragua attends the dialogue in the midst of a foreign aggression. He says Nicaragua inherited its debt from the Somoza regime. He speaks of the struggle against the contras, and of death and destruction in Nicaragua as a result of its struggle against imperialism. He reviews the economic blockade imposed by the United States and its results on the Nicaraguan economy. He speaks of U.S. pressures on Nicaragua's neighbors, and says the United States has sentenced the Nicaraguan people to death. He claims the United States is preparing to invade Nicaragua and cites U.S. Navy ship movements to support this claim. He speaks of the contradiction of the imperial interests of the United States and the interests of the Latin American peoples. He says the foreign debt is a form of aggression that can be followed by military aggression by the United States. He calls for a common struggle against the foreign debt. He says Latin America should declare itself in a state of emergency in favor of Nicaragua. He says the United States wants to return Nicaragua to the Somoza era. The camera pans the hall and shows Fidel Castro and the entire assembly standing and applauding. The applause is followed by chanting and rhythmic clapping.

At 2222 GMT Francisco Huerta Montalvo, former Ecuadoran public health minister, begins his speech. He calls for Latin American unity and integration, and increased opportunity to converse with Cuba, which has been excluded from the OAS and other organizations. He speaks of the need for more feminine organizations.

At 2232 GMT Cesar (Rate) from Venezuela begins his speech. He speaks at length of the Venezuelan labor union movement and the situation of the Venezuelan working class. He speaks of the miracle of the Havana debt dialogue and calls for a debt crusade from which no country should be excluded.

At 2242 GMT Juan Jose Echeverria, former minister and president of the Radical Democratic Party of Costa Rica, begins his speech. He reviews historical events, including the mining of Nicaraguan ports. He speaks of the terms of the refinancing of the Costa Rica has been forced to accept the presence of military advisers, and that the United States wants to fabricate a pretext for Costa Rica to invade Nicaragua. This U.S. maneuver will be opposed by many Costa Ricans, he says. However Latin America's problems do not come only from abroad; corrupt Latin American governments are also a great source of problems, he says, Echeverria calls for reforms so the 21st century will find a new Latin America.

At 2253, Carlos Serrate (Reich), leader of the Bolivian Vanguard Nationalistic Revolutionary Movement begins his speech. He speaks of the need to change the economic order and achieve a new order as the only means of solving the debt problem. He speaks of a coming economic collapse and calls for Latin American unity and integration, solidarity and coordination. He says Bolivia cannot afford to pay its debt and cannot afford not to pay.

At 2302 GMT, Roberto Freyre, national director of the Brazilian Communist Party, begins his speech in Portuguese, with simultaneous translation into Spanish. He calls for Latin American unity in facing the debt problem. He says Brazil inherited its foreign debt from its 20 years of dictatorship. He calls for a multilateral debt moratorium. He calls for breaking off relations with the IMF, and for a differentiated treatment of creditors. At 2310 GMT, Freyre breaks off his speech and requests medical attention. Fidel Castro stands and inquires whether there is a doctor in the house. All voice transmission is interrupted. At 2311 GMT the transmission is interrupted for approximately one minute. Fidel Castro then addresses the assembly saying the problem is not severe but rather is apparently an epileptic attack. Freyere immediately resumes his speech at 2313 GMT. He calls for union in the struggle against the debt. He speaks of the importance of political democracy and calls for the restoration of democracy in the southern zone. He calls for the reform of social and economic structures.

At 2318 GMT, Oscar Allende, president of the Intransigent Party, of Argentina, begins his speech. He speaks of institutional crime in Argentina, of Bretton Woods and its historical background, and the IMF and GATT. He examines the background of the present debt situation, placing the blame for the Latin American foreign debt on the developed countries. He speaks of the U.S. foreign debt and its trade debt. He says IMF policy is that nations should import little and export a lot to pay the debt while reducing the wages of workers to suppress consumption and further decrease imports. He says the IMF policies progressively impoverish the peoples of Latin America. He asks whether the debt dialogue is going to be a lightning bolt in a blue sky or whether it is going to be more than a passing event in Havana. Chairman Juan Bosch announces the evening reception will commence at 2130. At 2339 GMT the session and coverage ends.

Nicaraguan Vice President's Speech

PA020211 Havana International Service in Spanish 2205 GMT 1 Aug 85

[Speech by Nicaraguan Vice President Sergio Ramirez Mercado at the Continental Dialogue on the Latin America-Caribbean Foreign Debt being held at the Palace of Conventions in Havana -- live]

[Text] On behalf of the Nicaraguan people and government, as well as the FSLN, I want first of all to hail this very important meeting for Latin American and the Caribbean countries convoked by Cuban President Fidel Castro. We warmly thank him for this initiative that honors all of us who are in Cuba today.

Nicaragua has appeared at this continental forum on the foreign debt in the midst of the most brutal and merciless aggression that a country of this hemisphere has ever suffered, and at a time when Latin America's sovereignty and the right of one of the Latin American peoples to choose its own destiny after it broke all ties of foreign dominance are being verified. On proclaiming our right to our political and economic independence, as we Nicaraguans are doing with dignity, decorum, and blood, we have demonstrated that one of these countries, however small and weak, can be truly independent, regardless of the price that it has to pay for its independence.

The misery, backwardness, and subjugation to foreign interests that we inherited from the Somozist dictatorship included the heavy load of a foreign debt contracted with hundreds of U.S. private banks. This debt was in the form of loans that during the dictatorship's last months did not even reach the country, but increased the private accounts of the Somoza family and their accomplices in the United States instead. This foreign debt was incurred over the years to increase personal fortunes or distort the country's development needs, thus making the country even more dependent on the United States. This debt, the heavy load of the interest accrued, the unfair exchange terms, the unjust international prices, and the protectionist barriers are -- in these difficult, yet heroic days of the defense of sovereignty and the revolution — factors that aggravate the aggression situation that Nicaragua is experiencing because of the U.S. Government's state terrorism policy.

During the past 4 years, the official U.S. terrorist campaign against Nicaragua has cost more than 12,000 lives, including those of young soldiers who died in combat, peasants, laborers, women, children, and old people who have been murdered, maimed, abducted.

In addition, thousands of families have been displaced from their homes, and thousands of children have been left orphans of war. We have suffered more than $1.5 billion in economic losses, our resources have been destroyed through the burning and bombing of port facilities; attacks on oil storage tanks, energy towers, bridges, agricultural and road machinery; the mining of ports; and the destruction of peasant cooperatives, schools, health centers. Also, crops have been destroyed and investment projects have been hampered. This has to be added to disruptions and serious breakdowns in our economy provoked by the state of war because we are constantly forced to divert human and material resources from production to the war fronts. Also, we are forced to divert financial resources that otherwise would serve to implement development projects and expand social services.

This foreign debt is the economic and commercial embargo, the financial blockade imposed on Nicaragua by the United States, the embargo on our multilateral credit sources, such as the U.S. State Department's recent illegal and arbitrary imposition on the IDB chairman of the board not to submit to the board a Nicaraguan request $57 million for agricultural and livestock development, despite the fact that Nicaragua had already fulfilled all technical requiements. Foreign debt is pressuring, threatening, cajoling, and blackmailing Nicaragua's neighbors to get them involved in supporting mercenaries and counterrevolutionaries and the military intervention being prepared against our country. Foreign debt means constantly obstructing the peace efforts in which we and the Contadora Group have been most deeply interested. It also means stubbornly closing off all opportunities for dialogue and refusing all negotiated solutions.

The U.S. Government has declared the incompatibility of the Sandinist revolution with its hegemonistic interests in Central America and has sentenced the Nicaraguan people to death. This is also a death sentence for all currents of progress and transformation in Latin America.

They are bent on destroying us by means of terror and armed aggression. They want to strangle Nicaragua economically. They want to make us surrender because of hunger. Since they have not been able to destroy us or make us surrender, then they are determined to invade our country with its U.S. troops.

Right now, U.S. warships led by the Eisenhower nuclear aircraft carrier are off the coast of Puerto Cabezas, on the Nicaraguan Atlantic coast, and other U.S. Navy ships are crossing the Panama Canal, are ready to head for our coast. They attack, threaten, harass, and lay siege on us just because we proclaimed our right to our sovereignty. We also proclaimed our right to eliminate a past of exploitation, injustice, and misery that the United States itself imposed on Nicaragua because during these 6 years of revolution we have undergone a deep and irreversible process of changes. [applause]

We are incompatible with the imperialist interests because of our agrarian reform and the nationalization of the banks and our natural resources; because of our attempts to improve the people's health and education; we are incompatible because of the democracy we are building, a true democracy.

All these things affect the Nicaraguan debt because we are waging a merciless war that mars the social and economic life of the country and because we are determined to defeat a U.S. direct military aggression and to continue to be masters of our economic destiny. [applause]

This is not a challenge for Nicaragua alone, rather it is a challenge for all of Latin America. The contradiction between the U.S. imperialist interests and the interests of Latin America for its sovereignty and independence are being seen today in a dramatic and crucial manner in Nicaragua. The contradictions in the military, political, and financial systems of the United States with great material resources and inexhausible financial power, and the humble but firm efforts of a suffering and poor people in Nicaragua, a small piece of Latin America, are what protects the border of Latin America.

Nicaragua, as an attacked country, has no doubt that the foreign debt is a way of aggression against the countries of the continent and that those countries wishing to adopt a sovereign stance in face of the debt, can be exposed to repressive actions, not only economic but also military actions, on the part of the United States.

Therefore, a continental action must be imposed with regard to the debt, which through a common action should constitute a true front in defense of our interests -- a common struggle so our peoples may no longer be subjected to greater sacrifice or backwardness, or be denied the development possibilities to which our countries are entitled, by a debt whose service alone is impossible to cover, as indicated by President Fidel Castro on several occasions. This is a struggle that, like in Nicaragua, also involves Latin American sovereignty.

Then, we are talking about two aspects of the same struggle, in which the most vital interests of our independence and identity are present. That is why, in defense of Nicaragua, all democratic governments, all political forces and conscientious sectors, and all men of goodwill of Latin America must be summoned, because this is an instance of a continental trial. Latin America must declare a state of emergency for Nicaragua to stop the menacing, aggressive attitude of the United States and force that nation to accept a peaceful, negotiated solution within Contadora to renew the dialogue with Nicaragua in Manzanillo. Latin America must back Contadora for the immediate neutralization of our borders with Costa Rica and Honduras.

Nicaragua is being punished by the United States for having ended a past of injustice and oppression and having started on its way toward consolidation of its full economic and political independence, for having established a new democratic, pluralistic order, and for its determination to be a truly nonaligned nation.

The demand on the Latin American nations to meet a huge debt, impossible to pay, without the needless, cruel sacrifice of our peoples and their chances for a better life, is only intended to tighten the screws of oppression, injustice, and backwardness. It is intended to give way to new military dictatorships in the continent. The weight of the debt, itself, makes it impossible for democratic governments to exist, because democracy has never been a U.S. alternative for Latin America. Their only and actual alternatives have been the repressive regimes which have sold out to U.S. interests -- regimes they have always generously and irresponsibly financed in order to allow them to consolidate.

That is why they want to return Nicaragua, through the force of terror, to the old times of Somozist democracy; that is why they direct, arm, and finance the Somozist national guard in order to restore the Somozists in Nicaragua, which that same army defended in the past in the name of the United States and to which so many millions of dollars were given in loans.

Our country shall always be a voice for Latin America, even under terror and aggression. The harder we fight, the louder we shall speak for Latin America, and the more we shall be identified with the democratic interests in the continent for change, justice, and full independence. We are proud to defend as Latin Americans the vital interests of Latin America, and the more we shall be identified with the democratic interests in the continent for change, justice, and full independence. We are proud to defend as Latin Americans the vital interests of Latin America, our peoples' full sovereignty, their economic sovereignty, and their right for a better life with justice. We are proud to defend the use of their natural resources for their own benefit, for new exchange terms, for the elimination of commercial protectionism on the part of the rich countries, for the elimination of tariff barriers, and for the beginning in terms of true independence of a real and free economic development in our countries.

That is why we are also at war and determined to defend our homeland and our sovereign revolution to the last consequences. We call on Latin America to close ranks with this case, which is the cause of the entire continent. Free Fatherland or Death! [applause]

BAHAMAS

PRIME MINISTER PINDLING MAY CALL EARLY ELECTIONS

FL011655 Bridgetown CANA in English 1646 GMT 1 Aug 85

[Text] Nassau, Bahamas, Aug 1, CANA -- The ruling Progressive Liberal Party (PLP) is moving to get itself in an optimum state of readiness admidst indications that Prime Minister Sir Lynden Pindling may call general elections ahead of the 1987 constitutional deadline, a top PLP official said.

PLP chairman, Sean McWeeny, told reporters the party was working on a more accelerated timetable for elections, but he declined to be specific about the possible timing.

Asked if the poll would follow the October Commonwealth heads of government summit here, McWeeny said: Anything is possible. It's possible that it might even be before.

Following a major drug-related corruption scandal that rocked the government last year, the main opposition Free National Movement (FNM) has been calling for elections. The last general election here was in June 1982 when the PLP won 32 seats as compared with 11 for the FNM.

DOMINICA

DFP EXPELS MEMBERS WHO RAN IN LAST ELECTIONS

FL012123 Bridgetown CANA in English 2040 GMT 1 Aug 85

[Text] Roseau, Dominica, Aug 1, CANA -- The ruling Dominica Freedom Party (DFP) said today that it had expelled two members who contested the July 1 general election as independent candidates.

A spokesman for the party said that Irwin Andrew, who contested the Marigot Constituency, and Cleve Tavernier, who ran in Soufriere, had been booted out of the party at a council meeting held earlier this month. The spokesman said that they were expelled for acting contrary to the interest of the party and that their conduct was a breach of the party discipline.

He said that both men, who were badly beaten in the poll and lost their deposits, could appeal against the decision of the council. To date, only Andrew has said that he will do so. Both men had complained that the party's selection process for election candidates was undemocratic.

JAMAICA

PRIME MINISTER ON RESCHEDULING OF FOREIGN DEBT

FL012218 Bridgetown CANA in English 2203 GMT 1 Aug 85

[Text] Kingston, Jamaica, Aug 1, CANA -- Prime Minister Edward Seaga says recent agreements for the rescheduling of U.S. 193 million dollars in debt offers Jamaica some breathing space.

Seaga, addressing the nation after returning from a two-week, three-nation tour during which he renegotiated the deferred payments of debts, said when this debt becomes due in 1988 and 1990 and seven to nine years thereafter, we will be better able to discharge our obligations. He detailed the arrangements reached with foreign commercial banks and the Paris Club of Western creditors.

Taking a swipe at his main opponenets -- the People's National Party (PNP) -- he said that his successful approach to debt management was in contrast to what he said were the debt cancellation objectives of the conference now in progress in Havana.

PNP leader Michael Manley is attending the conference but said yesterday he did not support the unilateral wiping off of the debt.

NETHERLANDS ANTILLES

SHELL COMPANY TO CLOSE CURACAO OIL REFINERY

FL311307 Hilversum International Service in English 1030 GMT 31 Jul 85

[Text] Shell Curacao will today be starting redundancy proceedings for all 1,900 of its work force at the oil refinery on the Caribbean island of Curacao. Thirty-five employees of the Curacao Shipping Company, also owned by Shell, are likewise to be made redundant. Shell has set up a social compensation plan for its redundant workers, which the multinational says goes beyond its legal obligations.

Shell decided to close down the refinery after an attempt to persuade Venezuela to supply oil at a lower price had failed. Venezuela is the main supplier to the refinery on Curacao.

The director for Shell Curacao said that this means that the refinery could no longer be kept running. Postponing this decision has already cost the company more than $50 million.

Venezuela, the Netherlands Antilles, and the Netherlands are still involved in discussions in a last attempt to keep the refinery open. One of the proposals is that the three countries involved set up a consortium to run the oil refinery. However, the Dutch Government in The Hague has already made it clear that it is not in favor of becoming joint owner of an oil refinery.

Meanwhile, the works on Curacao will be closed down in such a way that should a solution be found, there would not be too much delay in getting the refinery operating again.

INTER-AMERICAN AFFAIRS

CONTADORA DEPUTY FOREIGN MINISTERS TO TOUR AREA

PA020254 Panama City Televisora Nacional in Spanish 0000 GMT 2 Aug 85

[Text] The Contadora Group deputy foreign ministers will meet in Panama City as of tomorrow to conclude the details of their coming tour through Central American capitals. The tour's aim is to gather ideas and reactions regarding the pending items of the Contadora Document for Peace and Cooperation in Central America. The deputy foreign ministers will initiate their tour on Saturday 3 August and will conclude it on 7 August. The Colombian, Mexican, Venezuelan, and Panamanian deputy foreign ministers will meet with Central American foreign ministers to discuss security and other topics in the document, to bring about the signing of a definitive juridical instrument.

'ANTI-IMPERIALIST YOUTHS' HOLD MEETING IN LIMA

PY301407 Santiago Radio Chilena in Spanish 1700 GMT 29 Jul 85

[Text] The first meeting of Latin American anti-imperialist youths held in Peru has agreed to pressure their respective governments to handle the foreign debt issue from a political standpoint.

This statement was made today during a press conference by Radical Youth Secretary General Hector Jara. He stated that the first Latin American anti-imperialist youth meeting was held in Lima between 19 and 21 July, sponsored by the Peruvian American Revolutionary Popular Alliance Youth.

Jara added that representatives from 14 Latin American countries participated in the meeting, as well as guests invited from Europe and Asia. He said that different agreements were reached among the meeting's participants.

[Begin recording] Among the agreements reached at the meeting was one by which everyone agreed on the need to force their governments, particularly the democratic governments, to face the foreign debt problem from a political standpoint and thus admit that the first commitment assumed by each of our countries is that assumed with its own people. [end recording]

The Latin American youths also agreed to reject all types of imperialist intervention in the area, whether it comes from the Soviet Union or from the United States.

SURINAME

SURINAME TO ASSUME ACP CHAIRMANSHIP 1 AUGUST

FL011926 Kingston Domestic Service in English 0500 GMT 1 Aug 85

[Text] Suriname is to assume the chairmanship of the African, Caribbean and Pacific, ACP, bloc of countries today until next February. Suriname's Trade and Industry Minister said that Paramaribo [as heard] was elected to the post during a recent meeting in Brussels between the ACP and the European Economic Community, the EEC. The two blocs are linked under the Lome Trade and Aid Convention. Mr Fong Poen said the election of Suriname to the ACP chairmanship was a recognition of the country's role in South-South cooperation.